

Jeff D. Friedman (173886)  
HAGENS BERMAN SOBOL SHAPIRO LLP  
715 Hearst Avenue, Suite 202  
Berkeley, CA 94710  
Telephone: (510) 725-3000  
Facsimile: (510) 725-3001  
jefff@hbsslaw.com

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*Handwritten initials and signature*

Attorneys for Plaintiffs

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

**CV 09 2514**

SKILSTAF, INC., on behalf of itself and all  
others similarly situated,

Plaintiff,

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

**SI**

v.

CVS CAREMARK CORP.; LONGS DRUG  
STORE CORPORATION; THE KROGER CO.;  
NEW ALBERTSON'S, INC.; RITE AID  
CORPORATION; SAFEWAY, INC.;  
SUPERVALU, INC.; WALGREEN CO.; and  
WAL-MART STORES, INC.,

Defendants.

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by  
Justice

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Plaintiff Skilstaf, Inc. (hereinafter “Skilstaf” or “Plaintiff”), on behalf of itself and all others similarly situated, for its Class Action Complaint (“Complaint”) against CVS Caremark Corp.; Longs Drug Store Corporation; The Kroger Co.; Rite Aid Corp.; Safeway Inc.; SuperValu Inc.; Walgreen Co.; and Wal-Mart Stores, Inc. (collectively “Defendants”) alleges as follows, upon information and belief and the investigation of counsel:

## I. INTRODUCTION

1. This is a proposed class action brought on behalf of self-insured employers, health and welfare plans, health insurers, and other private end payors of prescription drugs (“End Payors”) against Defendant chain pharmacies for: (1) conspiring with unnamed co-conspirators McKesson Corporation and First DataBank, Inc. to fraudulently inflate the so-called wholesale acquisition cost (“WAC”) to average wholesale price (“AWP”) mark-up factor for hundreds of brand-name prescription pharmaceuticals and to cause the submission of false claims for payment for these pharmaceuticals to Plaintiff and the Class; and/or (2) unjustly retaining such inflated payments made by Plaintiff and the Class.

2. A certified class of end payors in a case styled *New England Carpenters Health Benefits Fund v. First DataBank Inc.*, No. 05-11148 D. Mass.), alleged the existence of this scheme and named McKesson and First DataBank as defendants. A \$350 million settlement with McKesson has received preliminary approval. A settlement with First DataBank including a rollback of the inflated price has received final approval.

3. In a March 17, 2009 Memorandum and Order in the *New England Carpenters Health Benefits Fund* case, the District Court found that “pharmacies ... reimbursed on the basis of AWP, were **unjustly enriched** when drug prices were fraudulently inflated during the scheme, yet they have not been asked to disgorge their profits. None of the pharmacies protested the windfalls they received when prices were unilaterally inflated by five percent.” *Id.* at 14 (emphasis added). Some of the pharmacies Judge Saris was referring to are now defendants in this action. In addition to seeking recovery for these Defendants’ knowing

1 participation in the scheme, this class action seeks recovery for all Defendants' unjust  
2 enrichment as recognized by the Court.

3 4. Plaintiff and other members of the Class reimburse Defendants for brand-name  
4 prescription drugs based on a formula tied to the average wholesale price ("AWP"). Although  
5 Defendants get paid on the basis of AWP, they purchase drugs from wholesalers on the basis of  
6 the published wholesale acquisition cost ("WAC"). WAC is a benchmark price generally set by  
7 manufacturers and used by wholesalers to set prices to retail pharmacies like Defendants.

8 5. The difference between WAC and AWP is known in the pharmaceutical industry  
9 as the "spread" or "mark-up." Thus, when the spread or mark-up factor between WAC and AWP  
10 increases, retail pharmacies and other industry participants like pharmaceutical benefit managers  
11 ("Benefit Managers") have the opportunity to earn larger profits.

12 6. Unnamed co-conspirator First DataBank, Inc. ("First Data") is the nation's largest  
13 electronic publisher of AWP's. During the relevant period, Plaintiff and other members of the  
14 Class, or their respective agents, had contracts that utilized First Data's data to determine the  
15 appropriate AWP for any given drug and thereby reimburse Defendants and other providers of  
16 prescription drugs according to that data.

17 7. Unnamed co-conspirator McKesson Corporation ("McKesson") is the nation's  
18 largest drug wholesaler, distributing approximately 30% of all pharmaceuticals in the United  
19 States. In its 2008 fiscal year, McKesson enjoyed revenues of over \$100 billion and gross profit  
20 of over \$5 Billion.

21 8. Starting in late 2001, First Data, McKesson, and the "RICO Defendants" (CVS,  
22 Longs, New Albertsons, Rite-Aid, Safeway, Supervalu, and Wal-Mart) engaged in a fraudulent  
23 and anticompetitive scheme to inflate the AWP or mark-up for hundreds of brand-name drugs.  
24 The harmful effects of this scheme continue to the present. Specifically, although First Data  
25 represented to the pharmaceutical industry that its WAC and AWP data came from manufacturers  
26 or from conducting surveys of wholesalers which were undertaken to confirm the prices reported  
27 by manufacturers, First Data in fact agreed with McKesson to fraudulently inflate the mark-ups  
28 for hundreds of brand-name drugs by five percentage points.

1           9.       Thus, rather than undertaking the promised surveys or publishing the AWP prices  
2 reported by the manufacturers, First Data and McKesson raised the WAC-to-AWP mark-up to  
3 25% for hundreds of brand-name drugs that had previously had a 20% mark-up.

4           10.       Prior to the introduction of the scheme, the WAC-to-AWP spread for any particular  
5 manufacturer had predictable patterns and tended to be either 20% or 25%. In other words,  
6 manufacturers were generally known as “20%” or “25%” companies because they tended to utilize  
7 one of these two mark-ups. In addition, once a particular National Drug Code (“Drug Code”) came  
8 to market with a mark-up, this mark-up generally stayed with the Drug Code for the life of the  
9 drug. A Drug Code is a unique number assigned to each drug by the United States Food and Drug  
10 Administration.

11           11.       The RICO Defendants, McKesson and its officers or employees, and First Data and  
12 its officers and employees associated themselves to form a RICO association-in-fact and engage in  
13 a pattern of racketeering activity including multiple episodes of mail and wire fraud, all designed to  
14 increase the AWP for brand-name drugs so that Plaintiff and other members of the class overpaid  
15 Defendants. The RICO Defendants and their co-conspirators engaged in numerous overt and  
16 predicate fraudulent racketeering acts in furtherance of the conspiracy to violate RICO. Plaintiff  
17 was injured as a result of the deceptive practices undertaken by the RICO association-in-fact and  
18 seeks to obtain treble damages and other relief against the RICO Defendants for payments made  
19 for prescriptions of affected brand-name drugs.

20           12.       The RICO Defendants deceptive practices and unlawful acts involved a scheme and  
21 course of conduct that directly resulted in the transmission and submission of false and misleading  
22 claims for payment for affected brand-name drugs to Plaintiff and other members of the Class (the  
23 “Scheme”). These deceptions resulted in injuries to Plaintiff and the Class, which were and will  
24 continue to be forced to bear millions of dollars of excess charges arising from the Scheme and the  
25 fraudulent AWPs.

26           13.       The exact identity of the drugs covered by this lawsuit is capable of being  
27 discovered from the records of First Data. Based on an investigation of publicly available  
28 documents, the list of such drugs is attached as Exhibit A (the “Marked Up Drugs”).

1           14. Each year more than three billion prescriptions are written in the United States. The  
2 various actors in the marketplace must have a way of determining what the AWP is at any moment  
3 in time for the approximate 65,000 drugs used in the marketplace. AWP's are, therefore, compiled  
4 and published by publishing companies, including First Data and Medi-Span. Through these  
5 compilations, which are available in both hard copy and electronic form, those in the distribution  
6 chain can determine the AWP for any given drug and effectuate reimbursement accordingly.

7           15. Consumers, health and welfare plans, health insurers and governmental entities,  
8 including state Medicaid programs and other governmental entities ("Payors"), who pay for  
9 prescription drugs use and rely on AWP in doing so. Virtually all these entities had contracts for  
10 the brand-name drugs at issue that use AWP as a pricing standard.

11           16. Defendants, First Data, McKesson, and pharmaceutical companies know that Payors  
12 utilize AWP as a pricing benchmark.

13           17. Until March 15, 2005, First Data represented to those in the pharmaceutical market  
14 that it derived the WAC mark-up that establishes the AWP either from manufacturers or by  
15 conducting "a survey" of wholesalers whose purpose was to verify prices reported by the  
16 manufacturer. First Data further represented that AWP represents the "average of prices charged  
17 by the national drug wholesalers," and that the number of surveys it was conducting to determine  
18 the published AWP was "increasing." McKesson is one of the wholesalers that was purportedly  
19 "surveyed" by First Data as part of this process.

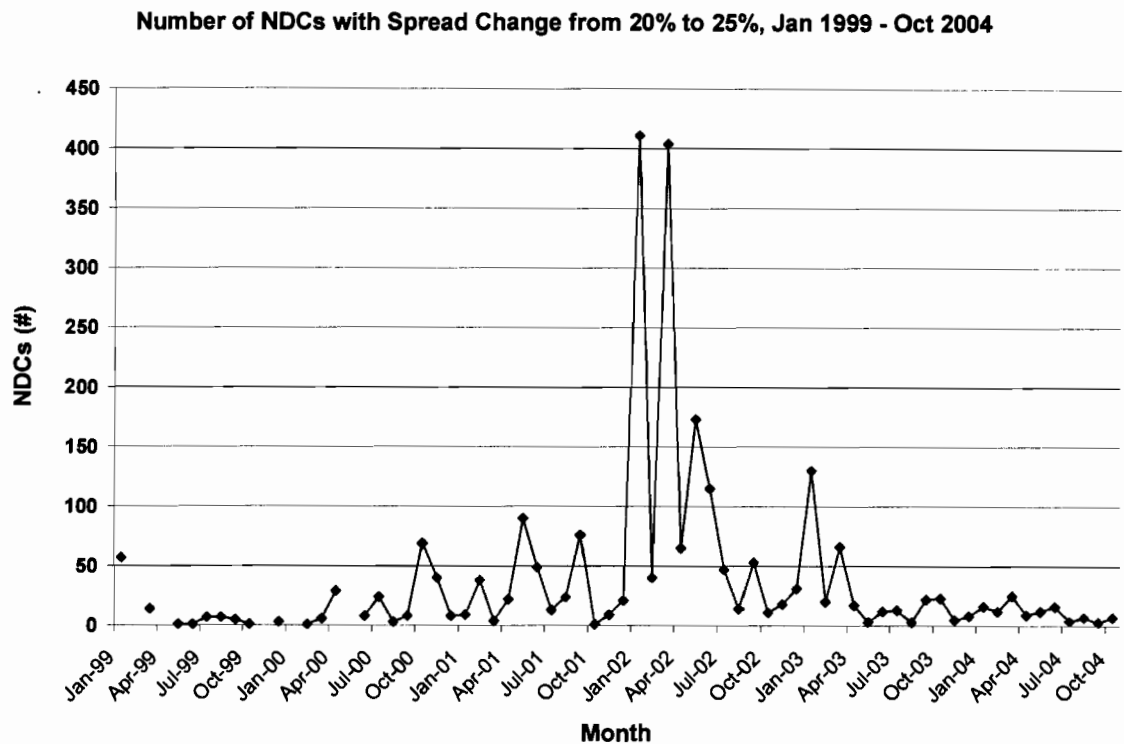
20           18. Historically, in order to arrive at the AWP for branded drugs, manufacturers applied  
21 a mark-up of 20% or 25% to WAC. Whatever mark-up was given to a particular branded drug  
22 "stuck" with that drug indefinitely. Until 2002, there was variation, supposedly based on  
23 manufacturer direction or on First Data's wholesale surveys, in the WAC to AWP mark-up for  
24 hundreds of brand-name drugs. For example, manufacturer A might have a mark-up of 20%, while  
25 manufacturer B might utilize a mark-up of 25%.

26           19. In late 2001, First Data and McKesson reached a secret agreement on how the WAC  
27 to AWP mark-up would be established for hundreds of brand-name drugs. The two companies  
28 agreed to artificially raise and fix the AWP on brand-name drugs and therefore artificially raise

1 prices in that market. As part of this agreement, First Data, to the extent it received information  
2 from others besides McKesson, used the WAC-to-AWP mark-up provided only by McKesson as  
3 the basis for its published AWP and did not "survey" any other wholesalers. To the extent FDB  
4 did receive material from other wholesalers, such material was not the basis for the FDB-published  
5 AWP, only McKesson's information was. McKesson knew that FDB was using its pricing as the  
6 basis for setting the mark-up over WAC. Sometimes, within a day or less of requesting a price  
7 change or mark-up from McKesson, FDB responded by increasing the mark-up.

8         20. As part of their agreement and conspiracy, McKesson and First Data, without any  
9 legitimate economic justification, raised the WAC-to-AWP mark-up to 25% for over four hundred  
10 brand-name drugs that previously had received only the 20% mark-up amount. To conceal the  
11 Scheme, McKesson and First Data agreed to typically effectuate price changes only when some  
12 other WAC-based price announcement was made by a drug manufacturer. This camouflaged both  
13 the associated increase in the WAC-to-AWP mark-up and WAC-to-AWP spread and McKesson as  
14 the source of the increased mark-up. McKesson communicated these new WAC-to-AWP mark-  
15 ups to First Data. First Data, without regard to any change in the actual average wholesale prices  
16 occurring in the pharmaceutical marketplace, and without reference to the manufacturers'  
17 suggested AWP's (or WACs) for these drugs, and without surveying other wholesalers, then  
18 published new AWP's with the new WAC-to-AWP mark-up. First Data did so despite receipt of  
19 information, in some instances, directly from manufacturers specifying or suggesting a 20% mark-  
20 up as appropriate. On some occasions, some of the manufacturers discretely questioned this  
21 increase, but First Data refused to change the published AWP and the manufacturers failed to take  
22 any action to remedy First Data's unjustified raise in AWP.

23         21. The dramatic nature of the Spread Scheme is illustrated by the following chart  
24 depicting the hundreds of drugs whose WAC-to-AWP mark-up was raised as part of the Scheme.  
25 The spike in 2002 reflects implementation of the Spread Scheme:  
26  
27  
28



**Note:** “NDC” means National Drug Code and refers to a number assigned to each drug.

22. Once McKesson and First Data raised the WAC-to-AWP mark-up to 25% on a given drug, that mark-up remained in place and still remains in place to this day, and thus continues to injure those entities that rely on AWP as a pricing standard.

23. McKesson had an economic incentive for implementing the Scheme and the RICO Defendants had an incentive to join and further progress and effectuate the Scheme. A major part of McKesson’s business comes from large pharmaceutical retail chains like Defendants and other retail pharmaceutical clients. McKesson implemented this Scheme in order to provide a benefit to those important retail pharmacy clients. Pharmacies like Defendants are reimbursed by Plaintiff and members of the Class based on AWP. Consequently, Defendants make a profit on the spread between AWP and their acquisition cost for a drug. Under this system, a higher WAC-to-AWP mark-up results in increased profits to pharmacies. Thus, an unlawful increase in the WAC-to-AWP mark-up unjustly enriches Defendants through larger profits.

1           24. McKesson was proud of its efforts and discretely boasted to select retail clients that  
2 McKesson “had been working on AWP expansion with some success.”<sup>1</sup> Internally McKesson  
3 noted that clients were “very glad that McKesson was doing this.”<sup>2</sup> Confirming the secrecy of the  
4 Scheme, McKesson cautioned that its “AWP expansion effort” and information about McKesson’s  
5 role in inflating AWP is “not intended to be handed out to customers” but could be described to  
6 show “McKesson is doing our part.”<sup>3</sup> “AWP expansion” was a McKesson euphemism for the  
7 WAC-to-AWP price fix.

8           25. First Data agreed to this Scheme to ease the burden of having to establish accurate  
9 spreads and to maintain the demand for its business among entities in the pharmaceutical  
10 distribution chain whose reimbursement is based on AWP, even though First Data knew that it no  
11 longer had the industry contacts and cooperation necessary to ensure the publication of accurate  
12 pricing. Thus, First Data and McKesson shared multiple common purposes, though they may have  
13 had different reasons for doing so, and each acted to achieve those purposes by implementation of  
14 the 5% Scheme.

15           26. During the Class Period, Plaintiff’s payments for pharmaceuticals to Defendants  
16 were tied to published AWP by First Data.

17           27. As a result of this artificial increase in the mark-up of the WAC from 20% to 25%,  
18 Plaintiff’s drug prices were increased and Defendants unjustly received these inflated payments.

19           28. Among the drugs whose prices are artificially inflated by the Scheme are some of  
20 the top brand-name drugs used by hundreds of millions of Americans, such as: Allegra (a leading  
21 allergy drug), Azmacort (a leading asthma drug), Celebrex (a leading arthritis/pain medicine),  
22 Coumadin (a leading anticoagulant), Flonase (a leading asthma drug), Lipitor (the world’s top  
23 selling drug, a statin), Neurontin (a leading pain medication), Nexium (a leading reflux drug),  
24 Prevacid (a leading ulcer/reflux drug) and Valium. Given the billions of dollars spent on  
25 prescription drugs annually, a 5% increase in the WAC-to-AWP mark-up results in a substantial

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26           <sup>1</sup> MCKAWP 0069726.

27           <sup>2</sup> MCKAWP 0069726.

28           <sup>3</sup> MCKAWP 0069732.

1 increase in payments for pharmaceuticals. For example, AstraZeneca's Nexium had annual sales  
2 in 2004 of almost \$4 billion. A bump of 5% in the WAC-to-AWP mark-up results in an increase of  
3 over \$100 million per year in reimbursements for just one drug. Another such drug is Pfizer's  
4 Lipitor, whose annual sales in 2004 exceeded \$10 billion. As a result of the 5% increase imposed  
5 by First Data and McKesson, hundreds of millions per year was spent on Lipitor that would not  
6 have been absent the Scheme.

7 29. As further set forth below, the RICO Defendants directly assisted in the Scheme  
8 and conspiracy by submitted fraudulently inflated prescription drug claims to Plaintiff and  
9 members of the Class (and accepting inflated payments for these drugs), despite having direct  
10 knowledge of the Scheme. But for the RICO Defendants' knowing presentation of false claims  
11 to Plaintiff and other members of the Class, the Scheme could not have been effectuated and/or  
12 continued.

13 30. However, regardless of their knowledge of the scheme, all Defendants were  
14 unjustly enriched from Plaintiff and members of the Class in the form of overpayments for  
15 hundreds of brand-name prescription drugs.

16 31. The fraudulent mark-ups resulting from the Rico Defendants' Scheme remain  
17 in effect and continue to injure End Payors like Plaintiff and other members of the Class that  
18 utilize AWP as a pricing standard.

19 32. This action is brought to recover Plaintiff and the Class's damages against the  
20 RICO Defendants and for restitution against all Defendants. On behalf of itself and the Classes  
21 fully defined below, Plaintiff asserts claims for violations of the federal racketeering laws, 18  
22 U.S.C. § 1962(c)-(d) and the common law of unjust enrichment against all Defendants.

## 23 II. INTRADISTRICT ASSIGNMENT

24 33. A substantial part of the events and omissions which give rise to this claim occurred  
25 in San Francisco and Napa.

26 34. Assignment to the San Francisco or Oakland division of this Court is appropriate  
27 because this action arises out of conduct occurring in the counties of San Francisco and San Bruno.  
28

1 Pursuant to Northern District of California, Local Rule 3-2(d), assignment to either the San  
2 Francisco Division or the Oakland Division is proper.

### 3 III. JURISDICTION AND VENUE

4 35. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 (federal  
5 question) and 18 U.S.C. § 1964 because certain claims in this action arise under the Racketeering  
6 Influenced and Corrupt Organizations Act, 18 U.S.C. § 1962, *et seq.* Subject matter jurisdiction  
7 over the state law claims is proper in this Court pursuant to 28 U.S.C. § 1367(a) because such  
8 claims are so related to the claims in this action within the Court's original jurisdiction that they  
9 form part of the same case or controversy under Article III of the United States Constitution.

10 36. This Court also has subject matter jurisdiction pursuant to 28 U.S.C. § 1332  
11 (diversity) because members of the proposed nationwide Class are citizens of states different from  
12 Defendants' citizenship, and aggregate amount in controversy exceeds \$5,000,000, exclusive of  
13 interest and costs.

14 37. The activities of Defendants were within the flow of, were intended to, and did have  
15 a substantial effect on interstate commerce of the United States. Venue, therefore, lies within this  
16 District under 28 U.S.C. § 1391.

17 38. Venue is thus also proper under RICO's special venue provision, 18 U.S.C. § 1965,  
18 as Defendants transact business in the State of California.

19 39. This Court has personal jurisdiction over the parties because Plaintiff submits  
20 to the jurisdiction of the Court, and because Defendants transact business in California and  
21 systematically and continually conduct business throughout California.

### 22 IV. PARTIES

23 40. Plaintiff Skilstaf, Inc. is an Alabama corporation with its principal place of  
24 business in Alexander City, Alabama. Skilstaf provides prescription drug benefits through a  
25 self-insured health plan for its employees and their dependents and, upon information and  
26 belief, paid Defendants for Marked-Up Drugs at prices based on First Data and/or Medispan  
27 AWP's during the Class Period. Accordingly, SkilStaf was injured by the RICO Defendants'  
28

1 participation in the Scheme and/or all Defendants' unjust enrichment through the retention of  
2 inflated payments made by Plaintiff and the Classes for Marked Up Drugs.

3 41. Defendant CVS Caremark Corporation ("CVS") is a corporation organized and  
4 existing under the laws of the State of Delaware with its principal place of business in  
5 Woonsocket, Rhode Island. CVS is one of the largest pharmacy chains in the United States  
6 with over 6,200 retail pharmacy stores across the country. In 2008, CVS acquired Longs Drug  
7 Stores Corp. and, upon information and belief, is liable for Longs' participation as a co-  
8 conspirator in the Scheme described herein. Thus, all references to Longs in this Complaint  
9 also apply to CVS. CVS operates dozens of stores in the State of California. In 2008, CVS  
10 acquired certain drug stores owned by Albertsons, Inc. and, upon information and belief, is  
11 liable for Albertsons' participation as a co-conspirator in the Scheme described herein.  
12 According to SEC filings, CVS purchased substantially all of the assets and assumed specified  
13 liabilities of Albertsons' stand-alone drug store business. CVS is also liable for its own unjust  
14 enrichment.

15 42. Defendant Longs Drug Store Corporation ("Longs") is a corporation organized  
16 and existing under the laws of the State of Maryland with its principal place of business in  
17 Walnut Creek, California. Longs is a wholly owned subsidiary of Defendant CVS.

18 43. Defendant The Kroger Co. ("Kroger") is a corporation organized and existing  
19 under the laws of the State of Ohio with its principal place of business in Cincinnati, Ohio.  
20 Kroger is one of the nation's largest grocery and pharmaceutical retailers with over 2,400  
21 stores in thirty-one States. Kroger transacts business in California, including but not limited to  
22 through its divisions: Food4Less Foods Co., Fred Meyers and Ralphs.

23 44. Defendant New Albertson's, Inc. ("New Albertsons") is a corporation organized  
24 and existing under the laws of the State of Delaware, with its principal place of business at  
25 Boise, Idaho. New Albertsons is a wholly owned subsidiary of Defendant SuperValu Inc.  
26 According to SEC filings, New Albertsons and its other subsidiaries hold substantially all of  
27 the assets and liabilities of Albertsons, Inc. for its core business, which included pharmacy  
28 sales, during the time period at issue. Thus, upon information and belief, New Albertsons is

1 liable for Albertsons' participation as a co-conspirator in the Scheme described herein. Thus,  
2 all references to Albertsons in this Complaint also apply to New Albertsons and Supervalu, the  
3 ultimate purchaser of Albertsons' assets and liabilities. New Albertsons is also liable for its  
4 own unjust enrichment.

5 45. Defendant Rite Aid Corporation ("Rite Aid") is a corporation organized and  
6 existing under the laws of the State of Delaware, with its principal place of business at 30  
7 Hunter Lane, Camp Hill, Pennsylvania 17011. Rite Aid and its affiliates own and operate  
8 approximately 5,000 drugstores in 31 states and the District of Columbia, including in this  
9 District.

10 46. Defendant Safeway Inc. ("Safeway") is a corporation organized and existing  
11 under the laws of the State of Delaware with its principal place of business in Pleasanton,  
12 California. Safeway is one of the largest grocery and pharmaceutical retailers in the United  
13 States with over 1,700 stores throughout the United States, including this district.

14 47. Defendant SuperValu Inc. ("SuperValu") is a corporation organized and existing  
15 under the laws of the State of Delaware with its principal place of business in Eden Prairie,  
16 Minnesota. SuperValu is one of the largest grocery and pharmaceutical retailers in the United  
17 States with over 2,500 stores throughout the United States. In 2006, SuperValu acquired 1,124  
18 Albertsons stores as part of its purchase of New Albertson's, Inc. and, upon information and  
19 belief, is liable for Albertsons' participation as a co-conspirator in the Scheme described  
20 herein. SuperValu is also liable for its own unjust enrichment.

21 48. Defendant Walgreen Co. ("Walgreen") is a corporation organized and existing  
22 under the laws of the State of Illinois with its principal place of business in Deerfield, Illinois.  
23 Walgreen is one of the nation's largest pharmacy chains with over 6,400 stores in every State  
24 and the District of Columbia.

25 49. Defendant Wal-Mart Stores, Inc. ("Wal-Mart") is a corporation organized and  
26 existing under the laws of the State of Delaware with its principal place of business in  
27 Bentonville, Arkansas. Wal-Mart is one of the nation's largest grocery and pharmaceutical  
28 retailers with over 7,000 stores throughout the United States.

50. Unnamed co-conspirator McKesson is a Delaware corporation with its principal place of business at McKesson Plaza, One Post Street, San Francisco, California 94101. McKesson is the leading provider of supply, information and care management products and services designed to reduce costs and improve quality across healthcare. Founded in 1833, McKesson has annual revenues of over \$100 billion and is number 18 on the 2007 Fortune 500 ranking of America's largest companies.

51. Unnamed co-conspirator First Data is a Missouri corporation with its principal place of business at 1111 Bayhill Drive, San Bruno, California 94066. First Data is a subsidiary of the Hearst Corporation and is the leading provider of electronic drug information to the healthcare industry. For the period of 1998 through about January 2002, the Hearst Corporation owned First Data and Medi-Span, First Data's only competitor in the electronic drug pricing market. As part of a divestiture agreement with the Federal Trade Commission ("FTC"), First Data provided its drug price information to Medi-Span until approximately October 2004.

## V. STATEMENT OF FACTS

### A. An Overview of the Pharmaceutical Industry and Facts Relevant to this Action

52. This case involves the artificial increase in the "mark-up" factor between the so-called wholesale acquisition cost (or "WAC") and the so-called average wholesale price (or "AWP") of a large number of brand-name prescription drugs, a scheme first implemented in late 2001 by McKesson (the largest U.S. pharmaceutical wholesaler) and First Data (the nation's most widely used and "trusted" electronic drug data publisher). As discussed below, the RICO Defendants jointed McKesson and First Data in the Scheme and knowingly submitted false claims to Plaintiff and members of the Class in order to receive inflated payments for affected drugs. Moreover, regardless of their knowledge of the scheme, all Defendants unjustly received inflated payments from Plaintiff and members of the Class as a result of the Scheme.

1           **1.       Drug manufacturers and NDCs**

2           53.     Drug makers manufacture brand-name and generic drugs. Generally, a drug product  
3     that is covered by a patent and thus is manufactured and sold exclusively by one firm is a brand-  
4     name drug. After the patent expires, multiple companies can produce the same drug product in the  
5     same manner, but the name of the brand-name drug itself remains with the original manufacturer.  
6     Drug products not covered by patent protection and produced and/or distributed by many firms are  
7     referred to as generic drugs. Manufacturers tend to be either brand-name drug manufacturers or  
8     generic drug manufacturers, although some manufacture both types of drugs.

9           54.     There are approximately 65,000 branded and generic drug products in the United  
10    States market, including different dosages of the same drug. Prescription drugs are dispensed to  
11    patients primarily through four different drug distribution channels: (a) retail pharmacies  
12    (including national chain pharmacies, independent pharmacies, supermarket chains, and mail order  
13    pharmacies); (b) physicians who administer the drug in an office; (c) home infusion (*i.e.*, drugs  
14    administered into the patient's bloodstream); and (d) other medical providers. This lawsuit  
15    primarily involves branded drugs distributed through the first channel, the retail pharmacies.

16          55.     All drugs intended for retail pharmacy sale are identified by an eleven-digit National  
17    Drug Code ("NDC") that is listed with the United States Food and Drug Administration ("FDA").  
18    The NDC is used to identify the drug delivered to the patient. The first five digits of the NDC  
19    show the identity of the company that manufactured and/or packaged the drug, the middle four  
20    digits identify the drug ingredient and dosage, and the last two digits identify the package size (*e.g.*,  
21    whether the bottle of pills contained 100 or 1,000 pills). While there are currently about 65,000  
22    active NDCs, many more NDCs have been issued over time (over the years many drugs and  
23    associated NDCs have been phased out).

24           **2.       The Wholesale Acquisition Cost**

25          56.     Branded manufacturers arrive at an original launch price by taking into account  
26    research and development costs, launch and marketing costs, competitor prices and estimates of  
27    consumer and physician demand. Generic makers, of course, generally use commodity pricing  
28

1 approaches. Once an introductory price has been set, the branded manufacturer establishes the  
2 wholesale acquisition cost, or "WAC," which is used as a baseline for sales to wholesalers (subject  
3 to many adjustments, as will be seen). The WAC for branded drugs is then published by the  
4 manufacturer.

5 57. Manufacturers establish the WAC as a baseline for sales to wholesalers and others  
6 in the distribution chain. Thus, while WAC may not represent *actual* acquisition cost (as  
7 wholesalers may obtain discounts through volume purchases or special deals, and as wholesalers'  
8 customers who also buy based on WAC may receive other price concessions charged back to the  
9 manufacturers), it is the baseline for branded drug sales by manufacturers to national wholesalers.  
10 In addition, WAC is a publicly available price for most branded drugs. It is the closest reported  
11 price to the actual transaction price between a manufacturer and the wholesaler or other direct  
12 purchaser of a drug product. Because the wholesalers' price to the retail class of trade is also  
13 typically based on, or is a function of, the WAC, a change in WAC generally results in a similar  
14 percent change in price to both wholesalers and to retail pharmacies.

15 58. WACs are typically reported on invoices between the manufacturer and the drug  
16 wholesaler (and between the wholesaler and the retailer, or between the manufacturer direct to the  
17 retailer). Some drug manufacturers have other names for the WAC price such as manufacturer list  
18 price, catalog price, direct price, wholesale net price, or book price.

### 19 3. The Average Wholesale Price

20 59. In addition to causing to be published a wholesale acquisition cost or WAC for  
21 branded drugs, over the years branded (and generic) manufacturers have also caused to be  
22 published an average wholesale price (or "AWP") for prescription pharmaceuticals. The average  
23 wholesale price or AWP is a list price used for invoices between drug wholesalers and pharmacies  
24 (or other appropriate drug dispensers, such as doctors for physician-administered drugs) and is  
25 typically used as a benchmark for the reimbursement by end payors to dispensers (such as retail  
26 pharmacies or doctors) for drugs provided to patients. Historically, the AWP is set directly or  
27  
28

1 indirectly by the drug manufacturer, with an effective date and remains in effect until a change in  
2 price is published.

3 60. WAC and AWP differ in that they represent list prices at different levels in the  
4 market. WAC represents a list price from manufacturer to wholesaler, while AWP represents a list  
5 price from wholesaler to dispenser (*e.g.*, pharmacy, physician, hospital, or other provider).

6 **4. The WAC-to-AWP Spread**

7 61. In the pharmaceutical industry, the percentage by which the AWP exceeds the WAC  
8 is sometimes known as the “mark-up” for a particular drug product.

9 62. The amount of the AWP that represents the mark-up is known as the “spread.” For  
10 example, a drug with a 24% mark-up (for instance from a WAC of \$100 to an AWP of \$125) has a  
11 spread (\$25 of the \$125 AWP) of 20%.

12 63. For many years preceding the Scheme alleged in this Complaint, the WAC-to-AWP  
13 mark-up for branded drugs had predictably-set patterns, and the competitive pricing marketplace  
14 for pharmaceuticals had adjusted and accommodated for those patterns. For branded  
15 pharmaceuticals, the WAC/AWP mark-up tended to fall in two quantum places: 20%, and 25%.  
16 In other words, in the many years preceding the Scheme alleged in this case, a particular branded  
17 drug NDC would carry both a published WAC (*e.g.*, \$100 for a 100 count bottle) and a published  
18 AWP at either 1.20 or 1.25 of the WAC (*e.g.*, \$120 or \$125).

19 64. These standard 20% and 25% WAC/AWP mark-up factors were commonly  
20 associated by McKesson, First Data, and others in the pharmaceutical industry with particular  
21 divisions of pharmaceutical companies. For example, a pharmaceutical division might be  
22 designated as a “20% mark-up” company, while another company would be designated as a “25%  
23 mark-up” company.

24 65. Another predictable aspect of brand drug prices over the years was the *unchanging*  
25 nature of the WAC/AWP mark-up for a particular NDC. In other words, if a particular NDC first  
26 launched at a 20% mark-up value, that NDC would remain as a 20% drug during the lifetime of  
27 that NDC, almost as if it were part of the genetic code for that NDC. Thus, the WAC and AWP for  
28

1 that drug moved in parallel fashion (usually up), keeping the same mark-up factor associated with  
2 that NDC. *Indeed, prior to the Scheme alleged in this case, it was extraordinarily rare for the*  
3 *WAC/AWP mark-up to be changed for any particular NDC.*

#### 4 **5. Drug Wholesalers**

5 66. Branded manufacturers' primary customers are wholesalers, although to a much  
6 broader extent, manufacturers also sell directly to retail pharmacy chains, mail-order pharmacies,  
7 hospital chains and some health plans. Wholesalers are manufacturers' largest group of  
8 purchasers, and wholesale prices depend partially on volume purchased.

9 67. Like most other types of wholesalers, pharmaceutical wholesalers purchase goods  
10 from manufacturers and then resell them to other purchasers. Wholesalers, whose main customers  
11 are retail and mail-order pharmacies, buy pharmaceuticals in large quantities, sort them by  
12 customer needs and disperse them in usable quantities.

13 68. The price wholesalers pay to manufacturers for any given product at any given time  
14 can fluctuate with the quantity purchased. The manufacturer may quote a wholesaler a price close  
15 to or at WAC, however, there is often a small volume discount or early cash payment discount off  
16 that price.

17 69. National wholesalers are the primary intermediate level in the distribution process  
18 retail channel. They account for 45.7% of prescription drugs (\$98.5 billion) in 2002. Other  
19 intermediate channels of distribution include chain warehouses with 32.3% (\$69.8 billion) of the  
20 market, regional and specialty wholesalers with 9.3% (\$20.2 billion) of the market, and group  
21 purchasing organizations that usually contract with a wholesaler to perform the distribution  
22 function on their behalf. Only about 12% of prescription sales by drug manufacturers are made  
23 directly to providers (*e.g.*, physicians or hospitals) or pharmacies.

24 70. Wholesale drug distribution is heavily concentrated. The three largest wholesalers  
25 are Defendant McKesson, Cardinal Health, Inc. ("Cardinal") and AmeriSource Bergen Corporation  
26 ("ABC"). Each of these "Big Three" wholesalers has slightly less than one-third of the national  
27  
28

1 market of prescription drug wholesale distribution. Collectively, they account for more than 80%  
2 of drug sales that flow through drug wholesalers (national, regional, and specialty).

3 **6. Wholesaler Sales Transactions**

4 71. National drug wholesaling is generally perceived as price competitive, with  
5 McKesson, Cardinal and ABC (or their predecessors) competing for business with retailers  
6 (primarily major chain drug retailers, independent pharmacies, supermarket drug retailers, and mail  
7 order businesses). As a result, drug wholesaler margins to retailers tend to be thin (even at times  
8 non-existent), with a significant portion of national drug wholesaler revenue instead being derived  
9 from prompt pay discounts received from manufacturers and from wholesaler inventorying  
10 measures that anticipate price increases.

11 72. National drug wholesalers sell branded drugs to the retail class of trade based on  
12 prices pegged to the WAC. Given the tendency for narrow margins in the national drug  
13 wholesaling business, the published WAC for a manufacturer's retail-channel branded drug is not  
14 only a strong market indicator for the wholesaler's buy-side cost for a branded drug, it is also  
15 expected that the WAC, subject to certain adjustments, is a reasonable benchmark of the sell-side  
16 costs charged by national wholesalers of branded drugs to major pharmacy retailers.

17 **7. Retail Pharmacy Channel**

18 73. The retail pharmacy channel (including chain drug store companies like Defendants,  
19 independent pharmacies, mail orders and supermarkets), comprise roughly two-thirds of the  
20 estimated market share of dollars for prescription drugs. Currently, Defendants account for most of  
21 the retail pharmacy market share today, and the recent consolidation trend appears to be  
22 continuing. Some large national or regional retail chains (including pharmacy, supermarket, mass-  
23 merchandiser chains) purchase drugs in large enough volumes so that they can bypass the  
24 wholesaler and buy directly from the manufacturer, but these direct purchases remain a small  
25 portion of the overall picture.

26 74. Regardless of whether the retail pharmacy is large or small, its purchase of  
27 prescription drugs is typically based using WAC as a benchmark, although that benchmark is  
28

1 subject to adjustments such as a variety of discounts, rebates, and direct or indirect offsets to  
2 pricing.

3 75. When large chain pharmacies buy directly from manufacturers, manufacturers offer  
4 these pharmacies both up-front discounts for purchasing their products and back-end discounts and  
5 formulary rebates for selling specific volumes of drugs or achieving a certain share of a specified  
6 market. When purchasing drugs directly from manufacturers, pricing uses the same WAC  
7 benchmark system, but the actual transaction cost varies considerably from the WAC given these  
8 other arrangements.

9 76. Smaller retail entities, such as independent retail pharmacies and regional retail  
10 chains, purchase directly from wholesalers or joint group purchasing organizations ("GPOs") in  
11 order to leverage their combined purchasing power. Some of these groups further reduce their  
12 costs through direct rebate deals offered by manufacturers. In making purchases from wholesalers,  
13 resellers and manufacturers, the starting benchmark for transactions is the WAC, but, again, the  
14 actual transaction cost is highly variable due to the additional arrangements.

15 77. In short, entities in the retail distribution chain (including wholesalers, resellers  
16 (retailers), retail chain pharmacies, independent pharmacies, mail order houses, and GPOs)  
17 purchase brand-name drugs based upon WAC. While the actual transaction purchase price varies  
18 from the WAC, WAC acts as the actual baseline for the many millions of transactions by which  
19 entities in the retail distribution chain acquire branded drugs.

## 20 **8. End Payors for Prescription Drugs**

21 78. At the most basic level, prescription drug expenditures are funded by either private  
22 or public sources. In the United States, more than \$200 billion dollars is spent annually on  
23 prescription drugs. About three quarters of this amount is privately funded.

24 79. Private payors for prescription drugs include drug benefit plan sponsors and  
25 consumers. The drug benefit plan sponsors (who pay for part or all of the cost of prescription  
26 drugs for their covered beneficiaries) include self-insured employers, health and welfare plans,  
27 health insurers and managed care organizations ("MCOs"). Most of these plan sponsors reimburse  
28

1 retailers (for retailers' drug purchase costs) through pharmacy benefit administrators (either health  
2 plans or pharmacy benefit management companies) who negotiate discounts with retail pharmacies  
3 and rebates from drug manufacturers. The vast majority of such purchases are for out-patient drugs  
4 that are self-administered, *i.e.*, drugs distributed through the retail distribution channel.

5 **9. End Payors' Drug Reimbursements are AWP-Based**

6 80. Although retail pharmacies *purchase* pharmaceutical products based upon pricing  
7 formulae that employ the WAC, retail pharmacies *get paid* (*i.e.*, receive reimbursement) from plan  
8 sponsors and consumers based upon an AWP reimbursement formula plus a dispensing fee. This is  
9 a fundamental anomaly of the retail distribution channel for drug products – that retail pharmacies'  
10 *purchases* are based on prices pegged to the published WAC, but retail pharmacies'  
11 *reimbursements* or charges are based on the published AWP.

12 81. Health plans typically contract with intermediaries called pharmacy benefit  
13 managers ("PBMs") to negotiate prices with manufacturers and retail pharmacies and thereafter  
14 adjudicate the numerous transactions that occur during the administration of a plan. Although the  
15 PBM negotiates prices and adjudicates claims, the plan sponsor (*i.e.*, insurer, self-insured  
16 employee, health and welfare plan) remains at risk for the charges paid to retail pharmacies and  
17 mail orders. In the contracts between PBMs and plan sponsors, the retail pharmacies' drug  
18 ingredient costs for brand-name drugs are reimbursed at the AWP less a certain percentage, or  
19 "discount."

20 82. Brand drug reimbursement for retail pharmacy ingredient cost contained in the  
21 contracts between PBMs and plan sponsors, and PBMs to pharmacies, use an AWP-based  
22 reimbursement structure. For example, since 2002, Express Scripts' standard form contract has  
23 expressly stated that its reimbursement formula is based on AWP from the "current information  
24 provided to ESI by drug pricing services such as First Data Bank. . . ." Similarly, Caremark's  
25 website states: "For both brand and generic drugs, the pricing formula at retail and mail is based  
26 on the discounted Average Wholesale Price (AWP) as reported by First Data. Caremark loads First  
27  
28

1 Data's updated data into the system on a daily basis." Other PBMs expressly utilize First Data's  
2 published AWP as the source of AWP pricing to be utilized in payment.

3 83. The AWP-based reimbursement benchmark for private payments to the retail class  
4 of pharmaceutical trade has long been acknowledged. Most recently, at a hearing on December 7,  
5 2004, before the United States House of Representatives Committee on Energy and Commerce, a  
6 former Senior Vice President of Aventis Pharmaceuticals, testified that "AWP has been codified as  
7 the benchmark price, by statute and regulations, in the public sector and by contract in the private  
8 sector." Those paying for drugs, by statute or contract rely on and use the published AWP.

9 84. Third-Party AWP-based reimbursement has also been acknowledged by McKesson.  
10 For example, in September 2001, Robert James of McKesson internally noted that "I think it is  
11 important to understand that the AWP that are used for third party reimbursement are the First  
12 Data Bank ("FDB") AWP."<sup>4</sup>

13 85. In summary, thousands of pharmaceutical reimbursement contracts are based on  
14 AWP minus a specified discount. As a result, a leading expert on pharmaceutical pricing has  
15 concluded that "AWP is the glue that binds the system of pharmaceutical reimbursement rates. All  
16 or predominantly all, reimbursement rates for pharmaceuticals purchased under public sector and  
17 private drug benefit insurance plans are negotiated based upon AWP and discounts from AWP."  
18 Public and private payor reliance on AWP was well known to McKesson.

19 **10. PBMs**

20 86. Third-Party Payors ("TPPs") do not typically look at AWP-WAC but look instead to  
21 overall price trends. This is because most TPPs do not negotiate directly with retail pharmacies to  
22 set their rate of reimbursement, but contract with Pharmacy Benefits Managers ("PBMs"), who act  
23 as the middlemen between TPPs and pharmacies. But PBMs make very little money processing  
24 TPP claims and look to other sources for generating revenue. For example, in its 2005 Annual  
25 Report, Express Scripts, Inc. reported that it received 35% of its revenue from mail order  
26  
27

28 <sup>4</sup> MCKAWP 0068514.

operations compared to 1% from services offered to TPPs.<sup>5</sup> Similarly, in its 2005 Annual Report, Medco identified client services as less than 1% of its overall revenue, while its mail order business accounted for 37%.

87. One observer recently explained the evolution of PBM services and competition as follows:

Initially, the goal of the PBM was to simplify the administration of benefits for health plan members and to provide some cost-management services. . . . In the early 1990s, as electronic point-of-sale (POS) claims processing became prevalent, PBMs began to shift their dependence on revenue from claim processing to other sources, including manufacturer rebates, selling data to manufacturers, and selling mail order and retail drugs. PBMs found that health plans and employers were more interested in lower administrative fees, because the result of pharmacy-cost reduction appeared to be too difficult to measure. This practice created a price war among PBMs for business from large health plans and resulted in a perception of POS pharmacy claims as a commodity. . . . *Gradually, the PBM industry shifted to aggressive strategies of seeking revenues from alternative sources to compensate for selling benefit administration services at lower costs.* PBMs that could not buy or build mail order capabilities quickly turned to other revenue sources. These included the sale of claims data to drug manufacturers and repricing of the retail network, known as spread pricing (fees gained through continual negotiation of lower rates with the pharmacy network that are not passed on to the health plan or employer). *Today, revenue from POS claims processing provides little to no margin for PBMs.*<sup>6</sup>

88. Mail order services are a particularly lucrative source of revenues for PBMs. In their mail order capacity, PBMs stand in the same shoes as McKesson's retail pharmacy clients by profiting from the AWP increase. Thus, PBMs had a strong incentive to remain silent about the Scheme or risk losing additional profits stemming from new mark-ups.

#### 11. The Brand Drug Pharmaceutical Market Was Conducive to the Scheme

89. The market for brand-name prescription drugs has a number of features that facilitated the implementation of the Scheme alleged in this Complaint. The industry relies almost exclusively on electronic publishers for the source of AWP, especially First DataBank.

<sup>5</sup> Express Scripts 2005 Annual Report.

<sup>6</sup> Steve Martin, "PBM Industry Today: Who's Managing Drug Costs?", *Managed Care Magazine*, Dec. 2001, <http://www.managedcaremag.com/archives/0112/0112.pbmfuture.html>, accessed August 29, 2007 (emphasis added).

1 Additionally, for the period of 2001 through late 2004, First DataBank and Medi-Span acted as one  
 2 for the purposes of calculating and publishing AWP: "This means that essentially the Medi-Span  
 3 data is the First DataBank data."<sup>7</sup> First Data was therefore the industry standard bearer for both  
 4 AWP, and by implication, AWP-WAC mark-up. Changes at First Data would affect prices  
 5 throughout the industry.<sup>8</sup>

## 6 **12. End Payors Rely on Published Drug Pricing Compendia**

7 90. The private and public pharmaceutical reimbursement systems have at their core  
 8 critical dependence and reliance upon accurate and timely publication of the current AWP for  
 9 every active formulation of drugs dispensed by retail pharmacies in the country, given the breath of  
 10 this dependence (private insurance systems covering more than 200 million lives as well as  
 11 millions of cash payors); the healthcare system's growing reliance on pharmaceutical products as a  
 12 treatment of first resort; and the scores of thousands of available drugs on the market. Private (and  
 13 public) reimbursement systems, including the plan sponsors and consumers who reimburse drug  
 14 dispenser costs, also rely upon pharmaceutical pricing publishers to accurately and fairly publish  
 15 AWP and WACs for NDCs. McKesson and FDB were aware of this reliance.

16 91. Several pharmaceutical industry compendia periodically publish the AWP for  
 17 active NDCs in the United States. Generally these publications are available in either hard copy  
 18 format or in electronic media.

19 92. Generally speaking, the two printed compendia include Drug Topics Red Book (the  
 20 "Red Book") (published by Thompson Healthcare) and American Druggist First DataBank Annual  
 21 Director of Pharmaceuticals and Essential Director of Pharmaceuticals (the "Blue Book") (which  
 22 for several years has been defunct). While the Red Book is used to determine published AWP  
 23 (primarily for physician-administered drugs), and while certain limited electronic information is  
 24 available regarding Red Book published prices, the Red Book remains primarily an annual printed  
 25 publication with periodic printed updates.

26  
 27 <sup>7</sup> MCKAWP 0057171; MCKAWP 0057415.

28 <sup>8</sup> MCKAWP 0057171.

93. In periodically announcing the AWP for each drug, publishers generally report prices that are supplied to them by manufacturers for their respective drugs. For instance, the foreword to the 1999 edition of the Red Book states that “all pricing information is supplied and verified by the products’ manufacturers, and it should be noted that no independent review of those prices for accuracy is conducted.” In addition, a June 1996 Dow Jones news article reported that Phil Southerd, an associate product manager of the Red Book, stated that Red Book only publishes prices that are faxed directly from the manufacturer.

### 13. The Emergence of First Data and Medi-Span as Electronic Data Publishers

94. In addition to printed publications of pharmaceutical prices, the AWP for NDCs is also widely made available to manufacturers, wholesalers, retailers (including major chain pharmacies, independents, mail orders), pharmacy benefit managers and Third-Party Payors (*i.e.*, plan sponsors of drug benefit plans such as insurers, Taft-Hartley Funds and self-insured employers) through large electronic drug databases.

95. Drug databases started back in the mid-1970s with the advent of significant drug benefit programs. These programs, along with the pharmacists who are dispensing the drugs and the Third-Party Payors (primarily insurance companies) who are paying for them, needed comprehensive and accurate descriptive and pricing information to ensure the accuracy of the claims they were paying.

96. The processing of claims became a massive job as drug prescriptions increased. The need for a consistently accurate and comprehensive drug price database became a major need. As First Data documents acknowledge, the “specter of inaccurate drug prices drove the database companies to develop techniques to assure the accuracy and comprehensiveness of the data.”

97. During the 1990s, there were only two major electronic drug database companies: (1) First Data, which describes itself as “started as the only purely electronic database company;” and (2) Medi-Span, which had its roots in the printed drug price catalog business.

98. The principal products sold by First Data are based upon information contained in its National Drug Database Files, or “NDDF.” The NDFF is a massive electronic database dating

1 back many years and containing scores of fields of information for both active and non-active  
2 NDCs. Among many other pieces of quantitative and non-quantitative information contained in  
3 the NDDF are the current and historical WAC, (known in the NDDF as the wholesale net price, or  
4 “WHN”) and AWP, (set forth in various fields, including an AWP field designated by First Data as  
5 Blue Book AWP or “BBAWP”) for each NDC.

6 99. The principal electronic database products sold by Medi-Span are based upon its  
7 Master Drug Database Files, or “MDDF.” The MDDF electronic database is smaller than the  
8 NDDF, but nevertheless contains numerous fields of data for each NDC, including current and  
9 historical WAC, and AWP. Both the NDDF and the MDDF are comprehensive, intragratable  
10 drug information databases.

11 100. Comprehensive, intragratable drug information databases (“intragratable drug data  
12 files”) are electronic databases containing purportedly comprehensive clinical, pricing, and other  
13 information on prescription and non-prescription medicines. Intragratable drug data files are  
14 uniquely capable of being readily integrated with other computerized information systems to help  
15 pharmacists and Public Payors quickly obtain information important to decisions regarding the  
16 prescription, dispensing, price reimbursement and purchase of medicines, and also to automatically  
17 provide drug information that patients need for safe use of their drugs. Retail pharmacies and  
18 PBMs usually use intragratable drug data files to determine Public Payor reimbursement (when  
19 using AWP fields), as well as their own acquisition costs (when using WAC fields).

20 101. Drug information in other forms is usually not an adequate substitute for the  
21 provision of much information obtainable only in intragratable drug data files. For example, a  
22 pharmacist filling a prescription can more quickly and reliably check for harmful drug interactions  
23 through an instant, automatic check of a drug data file when he or she enters the prescription into  
24 the pharmacy’s computer system, than through consulting a separate, unintegrated, and less up-to-  
25 date information source such as a book or data on a compact disk. Relying on such a separate  
26 reference would be more time-consuming and would increase the risk that a harmful drug  
27 interaction would not be detected until after the patient purchased and used the drug.  
28

1           102. During the 1990's and up to 1998, First Data and Medi-Span were substantial, direct  
2 competitors within the relevant market of intragatable drug data files in the United States. They  
3 faced little or no competition from other firms. Until 1998, two electronic drug databases – First  
4 Data's NDDF and Medi-Span's MDDF – played the integral role in essentially all electronically-  
5 based drug reimbursement transactions in the United States. They accounted for billions of  
6 transactions each year and many billions of dollars of payments.

7           103. Of course, First Data's NDDF and Medi-Span's MDDF both contained critical price  
8 point data fields for the approximate 65,000 NDCs then active in the marketplace.<sup>9</sup> The retail class  
9 of trade relies on these systems and uses the AWP for the associated NDC when seeking  
10 reimbursement for drug ingredient cost.

#### 11           **14. The Merger of First Data and Medi-Span**

12           104. In 1998, the Hearst Corporation caused First Data to be merged with the smaller  
13 Medi-Span. After the merger, First Data began the process of combining its NDDF with Medi-  
14 Span's MDDF (resulting in a product sometimes known as NDDF Plus). Through this process, the  
15 Hearst Corporation caused First Data to become the sole United States provider of intragatable  
16 drug data files, including the publication of electronic drug database pricing information such as  
17 the WAC and associated AWP for branded pharmaceutical products. Thus, beginning in or around  
18 1998 and thereafter, virtually every participant in the pharmaceutical distribution chain who used  
19 electronic database systems in undertaking reimbursement transactions for billions of dollars of  
20 pharmaceutical products used and relied upon the accuracy of data from First Data's NDDF and  
21 MDDF, including the published WAC and AWP price fields.

22           105. In 2001, the Federal Trade Commission (after a lengthy investigation) brought suit  
23 against the Hearst Corporation and First Data claiming, among other things, that the First Data and  
24 Medi-Span merger had been unlawful. Shortly thereafter, the Hearst Corporation agreed to divest  
25 its Medi-Span assets, culminating in a consent decree late that year. But by this time, First Data's  
26 merger of the NDDF and MDDF, along with changes of personnel and related systems effectuated

27           <sup>9</sup> First Data's NDDF also contains historical information, and thus it contains data for almost 200,000  
28 NDCs since many are no longer active in the marketplace.

1 over the prior three years, was nearly complete. As a result, as part of First Data's divestiture of  
2 the Medi-Span assets, First Data was required to provide the purchaser of the Medi-Span assets  
3 with transitional and editorial services for many years into the future.

4 106. As a practical matter, pricing data contained in both the NDDF and the MDDF post-  
5 divestiture remained the same. Since 1998 and despite the late 2001 divestiture, First Data has  
6 functioned as the sole editor of data populating the only available comprehensive intragatable  
7 electronic drug data systems (the NDDF and the MDDF) for branded drug pricing information used  
8 in the United States for reimbursement transactions in the retail pharmacy channel.

9 107. All changes in First Data's electronically published AWP's and WAC-to-AWP  
10 spreads were the same. The consent decree that implemented the Medi-Span divestiture from FDB  
11 required that FDB continue to provide Medi-Span with all FDB pricing information until Medi-  
12 Span (now called Facts and Comparisons) could develop its own pricing production system. Thus,  
13 during the time period including August 1, 2001 until sometime in 2004, when the Scheme  
14 effectuated an increase in First Data's published spread, this increase also occurred in Medi-Span's  
15 published prices and has remained in effect through the present. FDB and McKesson knew this  
16 would be a consequence of the Scheme.

17 108. During the 1990s and up to the end of 2001, both First Data and Medi-Span  
18 maintained the historical proportion between AWP and WAC when branded price increases were  
19 announced. This enabled the publishers (when receiving, for example, information only regarding  
20 WAC changes to a branded drug) to automatically calculate the corresponding AWP. As a result,  
21 the marketplace had predictability, and marketing pricing dynamics adjusted according to that  
22 expected practice.

23 **15. First Data Gains the Trust of the Pharmaceutical Industry**

24 109. Before this and related litigation against McKesson began, pharmaceutical end  
25 payors operated on the belief that the AWP's were the result of both honest reporting by  
26 pharmaceutical companies, with respect to the publication of their WACs or submission of their  
27  
28

1 suggested AWP's to publishers, and an empirical and professional analysis undertaken by First Data  
2 or Medi-Span.

3 110. The reliance upon the accuracy and legitimacy of First Data's data was not only  
4 known to First Data, but was the foundation of its business model, marketing, and promotion plans.  
5 For example, First Data stated:

6 For over two decades, healthcare professionals have come to depend  
7 on First DataBank's comprehensive knowledge bases to deliver the  
8 timely, accurate drug information they need to support their business  
9 and clinical decision-making.

10 Thus developers can respond quickly to their customers' demands for  
11 reliable, easy-to-access drug information, available on multiple  
12 platforms.

13 [First Data:] A partner you can trust.

14 Trusted Drug Knowledge...Comprehensive drug knowledge bases  
15 that have been trusted for decades by healthcare professionals – in  
16 thousands of installations – to provide the timely, accurate  
17 information they need to support their clinical and business decision-  
18 making.

19 111. First Data promoted its pricing information as "accurate," of "high-quality," and as  
20 "set[ting] the standard in the healthcare industry for comprehensive coverage of descriptive,  
21 pricing and clinical information on drugs." It also recognizes that its pricing information is "relied  
22 upon by professionals in th[e] industry," and that, "[t]o be useful to its audience, First Data's data  
23 must be accurate and up-to-date."

24 112. Throughout the 1990s, First Data gained the trust and reliance of participants in the  
25 pharmaceutical marketplace – most notably pharmacies and the Third-Party Payors that reimbursed  
26 them – upon First Data's electronic publication of AWP for each active NDC.

27 113. Throughout this time, First Data knew, of course, that the primary purpose of  
28 publication of the WAC and of the AWP, and of the associated WAC-to-AWP mark-up (embedded  
in the difference between the AWP and WAC data fields), was to serve as an electronic basis for  
the mass-reimbursement of retail pharmacies for thousands of daily transactions and billions of  
yearly transactions. After all, First Data acknowledged: "AWP was developed because there had  
to be some price which all parties could agree upon if machine processing was to be possible." As

1 First Data stated: “AWP represents the average wholesale price; the average price a wholesaler  
 2 would charge a customer for a particular product. The operative word is *average*. AWP was  
 3 developed to provide a price at which all parties could agree upon for electronic processing to be  
 4 possible.”

5 114. First Data’s representations regarding the accuracy of its electronic publication of  
 6 AWP were highly successful. By 1998, after its acquisition of its only competitor, Medi-Span,  
 7 First Data was the sole provider of comprehensive, intragatable electronic data files providing  
 8 AWP information throughout the retail pharmacy distribution chain, including most private Third-  
 9 Party Payors. Of course, First Data made this known when marketing its products, stating that it  
 10 “provides you the same AWP prices used by Aetna, PAID PCS, MEDI, MET, most Blue Cross  
 11 Blue Shield Plans, wholesalers and approximately 49 Medicaid programs.”

12 **16. The Scheme Created Goodwill for McKesson with Retail Pharmacies like**  
 13 **Defendants**

14 115. The difference between the WAC and the AWP prices “create[s] the gross margin  
 15 for pharmacy retailers under third party reimbursement plans.<sup>10</sup> As the difference between AWP  
 16 and WAC increases, the larger “spread” affords retailers and other middlemen like pharmaceutical  
 17 benefit managers (“PBMs”) opportunities for larger profits.<sup>11</sup>

18 116. By engaging in the Scheme with First Data to raise AWP by increasing the AWP-  
 19 WAC mark-up on all brand-name drugs to a uniform 25%, McKesson created goodwill with its  
 20 customers-retailers. By doing so, McKesson and First Data defrauded end payors like Plaintiffs,  
 21 who purchased the drugs involved in this lawsuit at prices inflated by the Scheme.<sup>12</sup>

22  
23  
24  
25  
26 <sup>10</sup> MCKAWP 0073551.

27 <sup>11</sup> MCKAWP 0069612.

28 <sup>12</sup> Updated Declaration of Dr. Hartman in Support of Class Certification (December 20, 2006) at 5.

1           **17. By 2001, First Data WAC-to-AWP Mark-Ups Were Susceptible to Abuse**

2           117. Traditionally, AWP's were set by manufacturers and provided to publishers.<sup>13</sup>  
 3 Publicly, McKesson itself recognized that WAC-AWP mark-ups originated from manufacturers,  
 4 not wholesalers.<sup>14</sup>

5           118. Beginning in the late 1990s, due to government scrutiny and well-publicized AWP-  
 6 related litigation, many manufacturers stopped providing AWP's.<sup>15</sup> Some manufacturers even  
 7 ceased providing First Data with any price information (AWP or WAC), making First Data  
 8 increasingly dependent on wholesalers for price information.<sup>16</sup>

9           119. Wholesaler Amerisource Bergen Corporation ("ABC") recognized that First Data's  
 10 AWP became a standard in the late 1990s *because* manufacturers were no longer publishing AWP.

11           120. First Data knew that the market widely relied upon First Data AWP's and that it  
 12 played a crucial role as the most trusted supplier of such information. First Data knew that its  
 13 preeminent position in the market would be at risk if First Data admitted that it did not have a  
 14 reliable basis for calculating AWP's.

15           121. Beginning in the 1990's, First Data adopted a survey method to calculate AWP's.<sup>17</sup>  
 16 First Data represented that its survey methodology asked *each* of the national wholesalers what  
 17 mark-up they applied to a given manufacturer or product line.<sup>18</sup>

18  
 19 <sup>13</sup> MCKAWP 0084296; MCKAWP 0083898; MCKAWP 0067439; AZ0449836-449850.

20 <sup>14</sup> One McKesson employee explained to an employee of WellPoint's PBM in November 2004 that  
 21 "McKesson does not maintain or alter product AWP's - we get that specific information from the  
 22 manufacturer and from First DataBank. McKesson, of course, establishes that cost based upon industry  
 23 practices and our cost from the manufacturer." WP-AWP009699-9703, at 9699.

24 <sup>15</sup> Morgan 2007 Dep. at 228:25-229:12; *see also* RB 00157-RB 00171, at 00158 ("[W]e were concerned  
 25 when the average wholesale price (AWP) designation - one of several pieces of data that Red Book collects  
 26 from manufacturers - came under fire at federal and state levels this past year. . . . We continue to regard  
 27 AWP as one guideline in the Rx pricing mix and to encourage the provision and dissemination of fair,  
 28 accurate prices by all suppliers.").

<sup>16</sup> Morgan 2007 Dep. at 179:12-22; MCKAWP 0069640 (Morgan e-mail acknowledging that FDB is  
 missing manufacturers' WACs, noting that FDB is authorized to obtain them from wholesalers and  
 requesting them from McKesson).

<sup>17</sup> *See, e.g.*, FDB-AWP 15104.

<sup>18</sup> *See, e.g.*, FDB-AWP 02005 (FDB website, Frequently Asked Questions, dated November 4, 2002);  
 FDB-AWP 15104 ("Average Wholesale Price," Price Alert editorial, dated 2000).

122. As detailed below, at least by August 2001, when Amerisource merged with Bergen and when McKesson and First DataBank began their collusion, First Data's representation was no longer true. If it had been conducting regular surveys of each of the major wholesalers before, it certainly was *no longer doing so* by August 2001 because two of the "big three" wholesalers, ABC and Cardinal, refused to provide mark-up information to First Data. This propelled First Data to conspire with the remaining "big three" wholesaler, McKesson, so that it could continue publishing AWP's.

**B. McKesson Exploited First Data's Alleged Survey Process for Its Own Purposes**

**1. McKesson's Public Position Was That AWP's Were Determined by Manufacturers' Historic Mark-Ups and not by McKesson**

123. In January 2002 McKesson organized an upper-management "meeting to discuss McKesson's position regarding Average Wholesale Price."<sup>19</sup> Greg Yonko, Senior Vice President of Purchasing and Pharma Finance, who was invited to this meeting, asked if he could "add Robert James to the invite list as he has had numerous discussions with First DataBank recently."<sup>20</sup> Mr. Yonko testified that he wanted Bob James, McKesson's Vice President of Brand Rx Finance Investment Purchasing, to take part in the meeting because

Bob was managing the process that I have described many times around – with First DataBank, relative to the markups that we carry in our system, the survey process, the updates to WAC. Again, many business aspects that have to do with First DataBank, Bob would seem to be more knowledgeable about than anybody else that I knew about.<sup>21</sup>

124. Both Bob James and Greg Yonko attended the meeting,<sup>22</sup> which took place on or about January 16, 2002.<sup>23</sup> Among the topics discussed were "how different reimbursement models or change in reimbursement models might look,"<sup>24</sup> and "the legislative momentum surrounding the

<sup>19</sup> MCKAWP 0065896.

<sup>20</sup> MCKAWP 0065896.

<sup>21</sup> Yonko (5/15/07) Dep. at 85:13-20.

<sup>22</sup> *Id.* at 85:22-86:2; MCKAWP 0084295.

<sup>23</sup> Yonko (5/15/07) Dep. at 87:8-11.

<sup>24</sup> *Id.* at 89:10-12.

1 issue of Average Sale Price vs. Average Wholesale Price vs. Wholesale Acquisition Costs (WAC)  
 2 and the complexities and potential implications to our customers of any such changes and  
 3 eventually to our company [McKesson].”<sup>25</sup>

4 125. At the meeting, it was agreed that Greg Yonko and Jeff Herzfeld, Senior Vice  
 5 President of Pharmaceutical Product/Pharma Finance, would “develop a position statement” that  
 6 could be used to “communicate throughout our management team so that we are on all on the same  
 7 page, so-to-speak, when discussing such issues with our customers, suppliers, and any legislative  
 8 types.”<sup>26</sup>

9 126. Yonko circulated a draft of the official McKesson position, which defined AWP as a  
 10 suggested retail price set by manufacturers’ historic mark-ups and not established by McKesson:

11 **What is AWP?** - AWP or Average Wholesale Price represents a  
 12 suggested retail-selling price for a branded or generic pharmaceutical  
 13 and has been around for many years. Its [sic] calculated as a markup  
 14 from WAC (Wholesale Acquisition Cost). The markup typically runs  
 15 20 to 25 % and is for the most part determined by historical spreads  
 16 from the manufacturer (*not by McKesson*). McKesson carries the  
 price in our system *and adjusts it if there is any pricing action*. First  
 DataBank publishes this price and it is the basis for all retail  
 pharmacy dispensed prescriptions that are covered by 3rd Party  
 reimbursement plans for branded products.<sup>27</sup> (Emphasis added.)

17 127. According to this official position, McKesson did not meddle with the  
 18 manufacturer-set AWP carried in its system and only adjusted the price if there was a pricing  
 19 action, that is, if the manufacturer changed its WAC.<sup>28</sup> And McKesson represented that it  
 20 understood First Data to publish the AWP consistent with the manufacturers’ historic mark-up.<sup>29</sup>

21 128. Notably, this policy, which was intended for public consumption, did not refer to  
 22 McKesson’s participation in wholesaler surveys of AWP or state that AWP was in any way  
 23  
 24

25 <sup>25</sup> MCKAWP 0084295.

26 <sup>26</sup> MCKAWP 0084295.

27 <sup>27</sup> MCKAWP 0084295 (emphasis added).

28 <sup>28</sup> *Id.*

<sup>29</sup> *Id.*

1 affected by a wholesaler pricing policy.<sup>30</sup> To the contrary, McKesson expressly disavowed *any*  
 2 *involvement* in determining mark-ups.<sup>31</sup>

3 **2. Contrary to its Official Position, McKesson Raised its Internal Mark-Ups in an**  
 4 **Effort to Increase AWP**

5 129. Although publicly disavowing its involvement in setting AWP/WAC mark-ups,  
 6 McKesson had already begun as early as 2000 to manipulate AWP by unilaterally imposing a  
 7 25% mark-up on its suggested sell price for all brand-name prescription drugs.<sup>32</sup> At his deposition,  
 8 Greg Yonko confirmed that in the past McKesson had used the manufacturers' historic mark-ups to  
 9 calculate projected retail prices, *i.e.* its suggested sell prices:

10 Q. How did McKesson calculate its suggested sell price?

11 A. It's not a calculation. It was a number that we input into our  
 12 system, and it was again historical, provided by the  
 manufacturer, though it's currently not.<sup>33</sup>

13 He also conceded that McKesson had increased the mark-up for its suggested sell prices with the  
 14 intent that FDB would use the higher mark-up to set AWP:

15 We are in business to support our customers, and we have always  
 16 supported our customers. And I believe that is what Bob is talking  
 17 about when he says we have attempted to raise AWP's to support our  
 customers, by changing our markup in our system, going through the  
 First DataBank survey process, and hoping that, in fact, the AWP's  
 will change.<sup>34</sup>

18 130. McKesson knew that First Data had a virtual lock on the determination of AWP  
 19 because First Data had "a contract with the Medi-Span group [the only other electronic pricing  
 20  
 21  
 22

23 <sup>30</sup> *Id.*

24 <sup>31</sup> "The markup . . . is for the most part determined by historical spreads from the manufacturer (not by  
 25 McKesson). *Id.*

26 <sup>32</sup> MCKAWP 0057171; MCKAWP 0047807 ("Our mark up is not coming from our suppliers.  
 Suppliers [have] nothing to do [with] how we mark up our items. It is the Product Management team who  
 27 make[s] the decision on our mark up.")).

28 <sup>33</sup> Yonko FDB Dep. at 42:15-20.

<sup>34</sup> Yonko FDB Dep. at 41:8-14.

source] requiring that FDB supply the data over the next 3 or 4 years [*i.e.* through 2005 or 2006]. This means that essentially the Medi-Span data is the First DataBank data.”<sup>35</sup>

131. McKesson knew that First Data purported to use a survey of national wholesalers to calculate AWP’s and that, as the largest national wholesaler, McKesson had “an opportunity to ‘normalize’ AWP spreads on brand pharmaceuticals at a 25% markup (or 20% spread).”<sup>36</sup> And if it were to succeed, “most [of its] customers [*i.e.*, Defendants] would love it.”<sup>37</sup>

132. Thus, it changed its mark-ups “in hopes that one of the other wholesalers happens to raise their markup on an item (maybe due to pressure from retail customers), and FDB happens to resurvey the items.”<sup>38</sup> But when the competition did not respond as expected or First Data failed to “survey” the change as quickly as hoped,<sup>39</sup> McKesson decided to work directly with First Data to increase AWP’s.

133. In many of its internal communications McKesson candidly admitted that the change was made to increase its customers’ profit margins.<sup>40</sup> For example, McKesson’s John

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<sup>35</sup> MCKAWP 0057415; *see also* MCKAWP 0057171 (“[Medi-Span gets] . . . its data from FDB. However, Redbook is a different deal. Redbook publishes the AWP’s that the manufacturers give them (which is not an average, nor determined by process) or use a markup of 1.20 which provides a 16 ⅔% AWP spread. If our customers are allowing language to be put into their contracts allowing Redbook AWP’s for reimbursement, they are not being very wise.”).

Prior to 2001 First Data and Medi-Span were jointly owned by the Hearst Corporation. Following an investigation and lawsuit brought by the Federal Trade Commission Hearst agreed to a divestiture of Medi-Span assets. Hartman Decl. (Dec. 2006) ¶ 17. As part of the divestiture, First Data was required to continue to provide pricing information to Medi-Span’s purchaser for several years. *Id.*, *see also* MCKAWP 0057415; MCKAWP 0057171.

<sup>36</sup> MCKAWP 0068514.

<sup>37</sup> *Id.* (MCKAWP 0068514).

<sup>38</sup> MCKAWP 0068514.

<sup>39</sup> *See, e.g.*, MCKAWP 0068514 (“McKesson chose to increase the markup on the Park-Davis line (Lipitor) [in January 2001] when Pfizer took them over. This was our [McKesson’s] attempt to raise the AWP’s to support our customers. The other two wholesalers did not do this. (I [Bob James, Director, Brand Pharmaceutical Production Management, McKesson] am told by FDB that the Parke-Davis products from Pfizer will most likely have the AWP’s increased to 20% this January [2002] when price increases typically take place. . . . this will then be the same as the McK figure.” (ellipsis in original)). *See also* MCKAWP 0065883-84 (September 18, 2001 e-mail noting that “Amerisource has pointed out to some of our customers in the Michigan market that we ‘manipulate’ AWP’s on selected items,” and that McKesson’s internal mark-ups for Lipitor and Advair were higher than FDB’s or Cardinal’s).

<sup>40</sup> *See, e.g.*, MCKAWP 0042664; MCKAWP 0065592; MCKAWP 0065885; MCKAWP 0066191-92; MCKAWP 0066464; MCKAWP 0068131; MCKAWP 0069594; MCKAWP 0069607; MCKAWP 0069615; MCKAWP 0071670; MCKAWP 0084327; MCKAWP 0084485.

1 Bonner, Director of Brand Rx Product Management and Finance, observed: "There's been a great  
 2 deal of activity, by McKesson, of late to increase AWP's on brand items to a uniform 25%. ***That***  
 3 ***helps the pharmacy profitability greatly.***"<sup>41</sup> Reflecting on his achievements as of April 2003, Bob  
 4 James noted:

5 We played a major role (and still do) in normalizing the AWP's on  
 6 Brand Pharmaceuticals from 16 2/3% to 20% spreads [*i.e.* 20 to 25%  
 7 markups]. This has had a huge impact on the profitability of our  
 8 customers on their insurance based business (which is about 90%  
 9 now). To summarize this impact, it's the same as lowering their cost  
 10 of goods 3 1/3% on 70% of the brand drugs. Historically, 75% to 80%  
 11 of brand pharmaceuticals carried a 16 2/3% AWP spread and the  
 12 remaining, a 20% spread. Today, almost 95% of brand drugs carry a  
 13 20% spread. This has provided millions of dollars in improved  
 14 profits across our industry.<sup>42</sup>

15 Another McKesson employee explained:

16 I received a response to an e-mail last week from John Bonner. He  
 17 mentions that McK is working to increase the spread on AWP to a  
 18 uniform 25% on branded Rx. One of the benefits of this will  
 19 increase reimbursements to our customers from third parties.<sup>43</sup>

20 Yet another McKesson employee reported: "What Bob explained to me a few months ago  
 21 is we (mckesson) [sic] are working to 'expand' the margin between AWP and cost."<sup>44</sup> An internal  
 22 memo discussing the mark-up changes states:

23 Here are a few examples of increased profits that our customers  
 24 should be realizing now and into the future. The following results  
 25 are based on a reimbursement formula of AWP minus 15% plus a  
 26 \$2.00 fee.

	Old 16 2/3% spread	New 20% spread
Lipitor 20 mg 90's	\$6.86	\$17.18
Prilosec 20 mg 30's	\$4.22	\$8.92
Allegra 60 mg 100's	\$3.97	\$8.16
Advair Discus 500/50		
60 dose	\$5.11	\$11.70

27 <sup>41</sup> MCKAWP 0050602 (emphasis added).

28 <sup>42</sup> MCKAWP 0065592.

<sup>43</sup> MCKAWP 0066465-66.

<sup>44</sup> MCKAWP 0069732.

Betasteron (previously a flat \$7.00 fee)

\$20.00                      \$58.25

Most would agree that these improvements are extremely significant.<sup>45</sup>

134. In other communications, McKesson represented that it increased its mark-ups for “business efficiency purposes” because McKesson’s Retail List Prices and First Data’s AWP often did not match.<sup>46</sup>

[W]e were challenged to improve efficiencies in our systems, processes and execution of our Brand Rx Programs. One of the inefficiencies that we looked at was the number of manual overrides that were required to keep an accurate First DataBank (FDB) Average Wholesale Price (AWP) field in our system. Each time a pricing activity took place, a manual override was necessary when the Suggested Sell or Retail List Price was different from the FDB AWP. This took place several times a year and increased risk of errors.<sup>47</sup>

135. McKesson estimated that at the time 80% of brand mark-ups were set at 20%.<sup>48</sup> Yet rather than synching its mark-ups with those actually used by FDB, McKesson reached the following decision: “A decision was made to standardize our Brand Rx markups at 25% by using a 1.25 factor times the Wholesale Acquisition Cost (WAC).”<sup>49</sup>

136. Logically, the only way that raising mark-ups to 25% in an industry dominated by 20% mark-ups would eliminate McKesson’s “manual overrides” arising from price discrepancies with FDB is if FDB colluded with McKesson to increase AWP’s across the board. In an e-mail, dated September 18, 2001, McKesson explains:

We are talking with First DataBank about “normalizing” the Brand AWP spreads at 20% because we believe it makes sense for our customers and also for our own efficiency in BIS. Today, when our AWP differs from First Data Bank [sic], BIS has to manually input the FDB AWP’s. This translates to a great deal of extra work on every price increase where this situation exists. *If all Brand product*

<sup>45</sup> MCKAWP 0069609.

<sup>46</sup> See, e.g., MCKAWP 0042663; MCKAWP 0065885; MCKAWP 0069608; MCKAWP 0069613.

<sup>47</sup> MCKAWP 0069608.

<sup>48</sup> MCKAWP 0069502.

<sup>49</sup> MCKAWP 0069608.

1                    *was at 25% markup none of this manual input would be*  
 2                    *necessary.*<sup>50</sup>

3                    137. McKesson discovered that it was not difficult to impose its suggested sell prices on  
 4                    First Data's published AWP's. In an October 9, 2001 e-mail, while still paying lip service to an  
 5                    alleged survey process, McKesson marveled at "First Data Bank's willingness to work with us to  
 6                    normalize the brand product AWP's."<sup>51</sup>

7                    **3. McKesson Colluded with First Data and the RICO Defendants to Increase**  
 8                    **Brand Drug Mark-Ups and Inflate Reimbursements by Plaintiff and the Class**  
 9                    **to Defendants**

10                    138. As documented in an internal memo, McKesson began colluding with First Data to  
 11                    increase brand drug mark-ups as early as August 2001:

12                    After a discussion with FDB last August [2001], *we mutually agreed*  
 13                    to standardize Searle (16 $\frac{2}{3}$ % spread) product line because it had been  
 14                    acquired earlier by Pharmacia (20% spread). There seemed to be  
 15                    momentum in the industry to move to a normalized markup of 25%  
 16                    on brand Rx products. In December [2001], after several discussions  
 17                    with FDB about our business efficiency improvement strategy we  
 18                    began to move many of the manufacturers with mixed spreads (16 $\frac{2}{3}$   
 19                    and 20% products in the same line) to a consistent 25% markup.  
 20                    These were companies like GlaxoSmithKline, AstraZeneca, Aventis,  
 21                    Berlex, Bristol Myers Squibb, Merck, JOM, and 3M, Forest,  
 22                    Novartis, Roche, Schering and several others. These were mixed  
 23                    product lines and we just set their Suggested Sell Prices at a  
 24                    consistent 25% markup.

25                    First DataBank re-surveyed most of these companies during January  
 26                    and February when price increases occurred. Many of the AWP's  
 27                    have been increased by FDB. Because a large number of price  
 28                    increases occurred, some AWP's were affected twice, once when the  
 price increase[] took effect and then a second time when FDB raised  
 the AWP after the survey process. . . . Not all products in these  
 companies have had AWP increases at this point in time. However,  
 as price increases occur FDB will re-survey those products and make  
 their determination.<sup>[52]</sup>

29                    139. While the memo invokes the survey process, First Data's express agreement to raise  
 30                    the mark-up on Searle products is inconsistent with the use of a survey to ensure the appropriate

31                    <sup>50</sup> MCKAWP 0065885 (emphasis added).

32                    <sup>51</sup> MCKAWP 0068599.

33                    <sup>52</sup> MCKAWP 69608-09 (emphasis added). Note that one of the named manufacturers, GlaxoSmithKline  
 34                    ("GSK"), wrote on March 1, 2002, to First Data asking it to explain the "unexpected change" which led  
 35                    First Data to list GSK products with a 25% mark-up. FDB-AWP 053695.

1 mark-up. More fundamentally, McKesson's "business efficiency improvement strategy," *i.e.* the  
 2 goal of achieving harmony between its uniform 25% mark-up and FDB's data, could only be  
 3 achieved if FDB agreed to disregard contrary input from other industry sources and to override  
 4 historical mark-ups.

5 140. Indeed, it was Erlinda Thomas' understanding at the time that she wrote the  
 6 following March 14, 2002 e-mail that McKesson dictated the price changes to FDB:

7 Product Management is working closely with FDB to adjust their  
 8 mark up. FDB [has] been changing their mark up to match with our  
 mark up. Eventually our list price will [be] equal to FDB's AWP.<sup>53</sup>

9 141. The memo's discussion of an agreement with First Data is also reflected in a  
 10 September 18, 2001 e-mail in which McKesson also referred to its recent "agreement with First  
 11 Data Bank on raising" Searle prices.<sup>54</sup> The e-mail further revealed: "***We are talking with First***  
 12 ***Data Bank about 'normalizing' the Brand AWP spreads at 20%*** [*i.e.* markups at 25%] because  
 13 we believe it makes sense for our customers."<sup>55</sup> The October 9, 2001 e-mail, applauding "First  
 14 Data Bank's willingness to ***work with us*** to normalize the brand product AWP's,"<sup>56</sup> suggests that  
 15 McKesson prevailed and the agreement was expanded to all brands.

16 142. Other evidence also supports this inference. Consistent with an arrangement to  
 17 change the mark-ups on brand drugs to a uniform 25%, FDB changed the mark-up for TAP and  
 18 Astra Zeneca to 25% on December 15, 2001.<sup>57</sup> The internal e-mail directing the change does not  
 19  
 20

21 <sup>53</sup> MCKAWP 0042664; Thomas Dep. at 109:6-110:7 (testifying that she believed that the statement was  
 true at the time she wrote it).

22 <sup>54</sup> MCKAWP 0065885. Nor can there be any doubt that First Data was aware that the mark-up  
 23 information that McKesson provided was made up from whole cloth. In addition to the preceding  
 documents referring to discussions with First Data about its normalization plan, the record also reveals that  
 24 McKesson sent First Data a copy of its internal memo, titled "AWP Discussion," in which it stated:  
 25 "McKesson has chosen to 'normalize' the markups in the Brand Rx area resulting in a consistent 25%  
 markup or use of a 1.25 factor. This serves to level the playing field"; "customers may potentially benefit  
 because this process provides the opportunity for increased profitability if managed care contracts remain as  
 they are today." MCKAWP 0069602; MCKAWP 0069611.

26 <sup>55</sup> MCKAWP 0065885 (emphasis added).

27 <sup>56</sup> MCKAWP 0068599 (emphasis added).

28 <sup>57</sup> FDB-AWP 033430.

1 mention a survey and FDB did not produce any documentation tending to show that a survey was  
2 conducted to warrant the changes.<sup>58</sup>

3 143. On January 23, 2002, another McKesson e-mail observed: “AstraZeneca, Aventis,  
4 Bristol Myers, Glaxosmithkline, Jorn etc. These vendors are now at a 25% mark-up instead of  
5 20%. **Bob James is in contact with FDB in regards to adjustment of their AWP pricing.**”<sup>59</sup> The  
6 McKesson e-mail does not refer to a survey process, and there are no FDB documents purporting  
7 to show that the changes to these manufacturer mark-ups were made as a result of a wholesaler  
8 survey.

9 144. Later that month, McKesson’s John Bonner, Director of Brand Rx Product  
10 Management and Finance, noted: “There’s been a great deal of activity, by McKesson, of late to  
11 increase AWP’s on brand items to a uniform 25%. **That helps the pharmacy profitability**  
12 **greatly.**”<sup>60</sup> He advised a sales manager to let customers “know we are fighting on their behalf to  
13 normalize AWP @ 25% markup.”<sup>61</sup> Again there is no disclaimer that the AWP’s are in fact  
14 determined by objective surveys as opposed to McKesson’s acknowledged price manipulation.  
15 The customers referred to are the RICO Defendants.

16 145. Another internal e-mail demonstrates the same understanding:

17 Some of our friends in retail that I have spoken with are pretty  
18 overwhelmed **that we would be ‘driving’ this process on their**  
19 **behalf.** Of course, we are not solely responsible for this  
20 ‘normalizing’ of AWP’s but we have done our part as I have  
discussed with you previously. **I have had conversations with**  
**Albertsons and Safeway and a few others.**<sup>62</sup>

21 146. The “friends” referred to are the RICO Defendants.

22 147. McKesson documents also report that Bob James called Kay Morgan in early 2002  
23 “on behalf of VitaRx on Avonex and Copaxone” and reported that the call “result[ed] in a \$500K

24 <sup>58</sup> See Morgan (2007) at 278:16–279:9 (testifying that she could not recall any other written surveys  
25 other than those produced by FDB and identified as exhibits at her deposition).

26 <sup>59</sup> MCKAWP 0081250 (emphasis added).

27 <sup>60</sup> MCKAWP 0050602 (emphasis added).

28 <sup>61</sup> *Id.*

<sup>62</sup> MCKAWP 0065895 (emphasis added).

1 profit improvement for VitaRx,” and “FYI. Kay Morgan, FDB confirmed today that this had been  
2 done.”<sup>63</sup> After the call, James circulated an e-mail:

3 Just a note to let everyone know that “I am told” that the markup on  
4 Avonex and both the old and new sku’s of Copaxone will be changed  
5 to 25% (to create a 25% spread on WAC/AWP) next week. . . .  
6 Yes!!”

7 . . . . This should have a significant contribution to your profitability  
8 as illustrated by the following example using a reimbursement of  
9 AWP – 15% plus \$2.00 fee

10 Avonex at 16 $\frac{2}{3}$ % spread, profit would be \$18.42 . . . and now at a  
11 25% spread, profit would be \$51.31 . . .not bad!

12 This is an increase of \$32.89 per script.

13 Copaxone at 16 $\frac{2}{3}$ % spread, profit would be \$19.72 . . . an now at  
14 20% spread, profit would be \$57.39 . . . pretty good!

15 This is an increase of \$37.67 per script.<sup>64</sup>

16 148. Other communications do refer to a survey process, but they generally betray  
17 McKesson’s expectation that the alleged survey process will merely confirm McKesson’s 25%  
18 mark-up. For example, an e-mail dated February 15, 2002, from Bob James states:

19 What we are seeing is a ‘normalizing process for brand Rx items. As  
20 you know, suppliers do not set AWP, wholesalers do not set AWP,  
21 and neither does FDB. Wholesalers set their individual markups or  
22 Suggested Sell or List Price as in the case of McKesson. I’m not sure  
23 what the other wholesalers call their sell price. This is done  
24 independently. FDB takes a survey of at least three national  
25 wholesalers and if 2 out of 3 are at 25% markup, then that becomes  
26 the AWP . . . I think it is very positive for the industry and most  
27 people will be delighted when they understand what is going on and  
28 how the process works.<sup>65</sup>

29 149. He then predicts: “*In a few months I would expect to see most brand products at a*  
30 *25% markup.*”<sup>66</sup> Given that McKesson is advocating a 25% mark-up in a predominantly 20%  
31 market where such mark-ups have remained largely unchanged for years, James’ expectation of

32 <sup>63</sup> MCKAWP 0069615; *see also* MCKAWP 0084327.

33 <sup>64</sup> MCKAWP 0084327; *see also* MCKAWP 0065592 (April 22, 2003 memo from Bob James to Greg  
34 Yonko: “Worked on behalf of Vita Rx (now MSD) in raising the AWP’s of Avonex, Copaxone and  
35 Betaseron to 20% [spread]. The impact of this effort was to increase their profits \$800 k per year. . . each  
36 year, not just one time.”).

37 <sup>65</sup> MCKAWP 0069590; MCKAWP 0069591.

38 <sup>66</sup> MCKAWP 0069592 (emphasis added).

1 widespread change – let alone such change over a matter of months – is simply not comprehensible  
 2 unless he also believed that FDB was complicit in McKesson's Scheme.

3 150. This inference is further supported by the statement he makes on February 26, 2002  
 4 that he is simply waiting for FDB to "catch up" to McKesson's mark-ups and that he has been told  
 5 by FDB that these changes, and the higher AWP's they entail, are imminent:

6 The McKesson Sugg. Sell or List Prices for Brand Rx will remain at  
 7 the 25% markup, however. *We expect FDB AWP's to catch up over*  
 8 *the next month or so as things normalize in the industry.* I was not  
 9 aware until last week that our BIS group was changing the AWP  
 10 field to match or Sugg. Sell or List Price field in the DITM before  
 11 FDB actually made the changes. *We have been told by FDB that the*  
 12 *items were going to move up but there obviously have been some*  
 13 *timing issues.* It's my fault, I guess I did not communicate very  
 14 clearly. There will be no changes by the FDB AWP field unless the  
 15 information comes by electronic download from FDB.

16 When the changes do occur, there will be a slight delay for our  
 17 system to be changed. More importantly, there will most likely be a  
 18 delay for the third parties to pick up and input *the new higher*  
 19 *AWP's.*<sup>67</sup>

20 151. A month later, James' confirms his expectation that FDB has changed the mark-ups  
 21 on the majority of brand manufacturers:

22 I am told by FDB that 90% of the Brand Rx companies are now  
 23 listed as 1.25 factor or 25% markup companies. Not all the products  
 24 in these companies have had AWP increases at this point in time.  
 25 However as price increases occur FDB will resurvey those products  
 26 and make their determination.<sup>68</sup>

27 In light of McKesson's confidence that FDB's AWP's will "catch up" to McKesson's Suggested  
 28 Sell or List Prices in short order, this statement leaves open the possibility that by "survey" James  
 does not mean an objective determination of the prevailing mark-up among the national  
 wholesalers, but merely the application of the agreed-upon 25% mark-up to the NDCs whose WAC  
 price was increased by the manufacturers.

152. Similarly, in response to Erlinda Thomas' representation that FDB adjusted its  
 mark-ups to match McKesson's, McKesson's field staff personnel, Joy Puccetti, responded:

<sup>67</sup> MCKAWP 0057428.

<sup>68</sup> MCKAWP 0069609.

1 Erlinda: thanks for the update. Can you or our product managers  
2 give us some idea when all of our LIST prices will be adjusted to  
match FDB's AWP?

3 James interjected:

4 Joy, its really happening the other way around. McKesson is  
5 normalizing our Sugg. Sell or Retail List, and AWP increases usually  
happens when FDB re-surveys wholesalers after price increases.  
6 They set the AWP where 2 out of 3 national wholesalers are using  
the same markup. We just happen to be improving our process to  
7 eliminate the need to override AWP's with each pricing activity in the  
future. I spoke with FDB earlier this week and they stated that about  
8 90% of the vendors have been changed to 25% markup and use a  
1.25 factor (times the WAC). *Some of the detail needs to catch up  
9 with individual sku's as price increases occur. The remaining  
vendors should be done over the next quarter. My guess is that  
10 things should look very good in the next couple of months. I am  
working with FDB to point out problem suppliers as Erlinda's  
11 group provides me weekly information comparing our List Price  
with the FDB AWP.* Sorry for the extra confusion and questions that  
12 have come up from our customers. The (unintended consequences)  
results should have a very positive impact on our customers[']  
13 profitability.<sup>69</sup>

14 McKesson sends another such coded message in an e-mail, dated April 25, 2002 re "AWP  
15 Situation Status." James advised Greg Yonko of the progress of the Scheme:

16 The following is a summary of activity on the subject of AWP:

- 17 1. There is a movement in the industry to normalize the brand Rx  
markup at 25% to create a 20% AWP spread.
- 18 2. 90% of vendors have been moved to a 1.25 markup factor at FDB.
- 19 3. Actual AWP changes have been occurring around price increases  
20 and FDB re-surveying the market.
- 21 4. We are working with FDB to improve "their accuracy" on WAC  
pricing because ours is extremely accurate.
- 22 5. . . . We will be sharing information with FDB on WAC price  
23 changes in order to make us both more accurate.
- 24 6. McKesson has had no new proactive changes since last February  
except as noted above with Avonex and Copaxone.

25 \* \* \* \*

26  
27  
28 <sup>69</sup> MCKAWP 0042663.

9. All new brand vendors will be set up as 1.25 markup factor vendors, ***both at McK and FDB.***<sup>70</sup>

While the McKesson e-mail refers to a survey process, it also refers to FDB's agreement to raise the mark-ups for Avonex and Copaxone – without the benefit of a survey, and there is no pretense of a survey for new manufacturers. Their mark-up is set by fiat: "All new brand vendors will be set up as 1.25 mark-up factor vendors, both at McK and FDB."<sup>71</sup> Additionally, at least for "about 90% of the vendors," the alleged survey process is perceived as simply a means of applying the pre-determined mark-up "as price increases occur."<sup>72</sup>

153. John Bonner also represented that McKesson's normalization plan was the driving force behind the changes and not a survey process:

We are trying to Normalize brand pricing at 25%. As time goes by pricing services will pick up on these changes as they average in.

Medi-Span is owned by First Data Bank and should see the changes eventually.

Please don't use language that we are trying to increase AWP's with customers. We don't want to be viewed as increasing prices but in favor of normalizing branded items as a flat 25% markup that will level the playing field from vendor to vendor.

I really don't see what problem your customer is experiencing in the negative. Higher AWP's should make the pharmacy more profitable.  
...

*Bob James is working with FDB to make this happen over time and I'm not sure it is something we want discussed.*

Please contact him before discussing outside the company.<sup>73</sup>

We try to 'push' the AWP up to 25% above WAC rather than 20%. This may cause your customer some short term reimbursement pain with the payors, but in the long run, if AWP at First Data Bank goes from 20% to 25%, *your customer will benefit.*<sup>74</sup>

<sup>70</sup> MCKAWP 0069615 (emphasis added).

<sup>71</sup> See also FDB/NEC 040006 (e-mail from McKesson to FDB: "Any new brand pharmaceutical will be at 1.25 going forward.").

<sup>72</sup> MCKAWP 0042663.

<sup>73</sup> MCKAWP 0066464 (emphasis added).

<sup>74</sup> MCKAWP 0076289 (emphasis added).

154. McKesson's monthly status reports for Rx Brand Product Management also reported its many successes raising AWP's.<sup>75</sup> And McKesson's efforts to raise AWP's were prominently featured in an internal memo from Bob James identifying accomplishments and developments for 2003.<sup>76</sup>

155. In addition to the foregoing examples from McKesson's internal documents supporting the existence of an agreement or concert of action, the parties' conduct also demonstrates that the AWP survey process had given way to the mark-up Scheme.

156. Many of the communications between First Data and McKesson about manufacturer mark-ups were initiated by McKesson, not First Data, and they do not discuss a survey. For example, on November 9, 2001, Bob James wrote to Kay Morgan:

Hello Kay . . . . . Just went through the Merck items and updated a couple of our items to 25% markup. However, I found some items that you might want to review. They include Noroxin's, Prinivil and Prinzide's. The latter two, should probably be consistent with the new AZ 1.25 markups.<sup>77</sup>

157. On other occasions, Bob James also gently reminded First Data to raise AWP's on certain brands:

Hello Kay, this note is from BMS [Bristol-Myers Squibb] and is basically saying that FDB shows BMS at a 20.5% mark up while McKesson is showing a 25% mark up. I am assuming that they are looking at current information and I thought we took care of this several weeks ago. Ain't it Great.<sup>78</sup>

Rite Aid called this morning complaining about Diamox AWP. Just wondered if you had a chance to get to it yet?<sup>79</sup>

We're catching flack from our large retail friends about the Wyeth products that were sold to Barr . . . Of course, we raised the prices on both NDC's for consistency, . . . See if it makes sense to you that both NDC's should carry the new price.<sup>80</sup>

Good morning . . . .

<sup>75</sup> MCKAWP 0066191-92 (October 2002) and MCKAWP 0071670 (December 2002).

<sup>76</sup> MCKAWP 0065592.

<sup>77</sup> MCKAWP 0068621.

<sup>78</sup> MCKAWP 0069586.

<sup>79</sup> MCK 0001168.

<sup>80</sup> MCKAWP 0070781.

We've had a couple of inquiries from the field asking us to correct our AWP's. J&J and one of the other wholesalers are saying that the McKesson AWP's are incorrect. We have them marked up 25% like the rest of the J&J line. When you have a minute, would you verify that our file matches the FDB file.<sup>81</sup>

158. Many of the communications from First Data are also more consistent with an agreement to change AWP than an objective survey to determine what it should be. For example, on April 1, 2002, Alisha Nielson, Kay Morgan's assistant at First DataBank, e-mailed Bob James to "please provide me with your mark-up for Endo."<sup>82</sup> Bob James responded that McKesson used a 25% mark-up, and moments later, without any indication that she had received (or even requested) responses from other wholesalers, Alisha Nielson forwarded his response to her co-worker, Inna Dimitshteyn, with the instruction: "Please change the mark-up for Endo to 1.25 WAC."<sup>83</sup>

159. Similarly, the following exchange between McKesson and FDB led to increased mark-ups for Lexapro and Celexa:

[McKesson] Question: Is Forest's new Lexapro at 1.25? and we still have Celexa at 1.20. The retail customers would love to have that one changed. Please advise. Thank you.<sup>84</sup>

[FDB] Lexapro and Celexa by Forest are still at the 1.20xW markup. ***We will change this as directed,*** unless Kay objects. I will speak with her about this. She is in a meeting right now.<sup>85</sup>

160. The RICO Defendants knew of McKesson's role in the Scheme and occasionally asked for overt assistance. For example, Seattle-based retail pharmacy, Bartell's, sent McKesson an e-mail with the subject line "Low AWP companies" to complain about a low mark-up for Galderma.<sup>86</sup> McKesson responds with the subject line, "See, we listen":

<sup>81</sup> MCKAWP 0001188. Kay Morgan responded: "We are in sync. Janssen still suggests [sell price] on some items and perhaps this is one but as you know Manufacturer suggested is not the same as AWP. Don't know who is complaining (Janssen?) but FDB and McKesson match."

<sup>82</sup> FDB/NEC 031778.

<sup>83</sup> *Id.*

<sup>84</sup> FDB/NEC 040006.

<sup>85</sup> FDB/NEC 040006 (emphasis added).

<sup>86</sup> MCKAWP 0069819.

1           Celexa and Lexapro will have an AWP markup of 25% or a spread of  
2           20% as soon as FDB information is updated. Look for a change to  
3           happen next week.

4           Keep smiling[g] and who said we never listen to our customers  
5           (and old friends).<sup>87</sup>

6           161. Bartell's thanks McKesson and immediately turns its attention to Clarinex:

7           THANKS. . . I GUESS I HAVE STIRRED THINGS UP WITH  
8           THE FOREST PEOPLE . . . ALL YOU HAVE TO TELL THEM IS  
9           THAT WE AREN'T GOING TO STOCK LEXAPRO AND PUT IT  
10           ON SPECIAL ORDER LIKE OXYCONTIN.

11           SCHERING REP CALLED AND WANTED TO KNOW WHAT I  
12           WAS GOING TO DO TO MOVE THE CLARITIN BUSINESS TO  
13           CLARINEX. . . NOT A THING, I REPLIED. . . THE AWP/TO  
14           COST IS MUCH BETTER ON ZYRTEC, ALLEGRA AND  
15           CLARITIN . . . [ellipsis added] SHE IS GOING TO TALK TO HER  
16           BOSS ABOUT GETTING THE CLARINEX AWP CHANGED.<sup>88</sup>

17           162. McKesson responds to Bartell's that the change to Clarinex has already been  
18           arranged:

19           fyi.

20           Schering is set up at FDB as a 1.25 vendor (meaning 25%  
21           markup/20% spread). Clarinex will be moved at the next price  
22           increase when a new survey would be done.<sup>89</sup>

23           Again although McKesson mentions a "survey," the outcome of the alleged survey is a foregone  
24           conclusion.

25           163. Similarly, in the Monthly Status Report, Rx Brand Product Management, General  
26           Overview October 2002, McKesson reports:

27           We have had some recent success in getting some AWP issues  
28           resolved by requesting that new surveys be done on Celexra and  
29           Clarinex. Both items had AWP profitability for our retail customers.  
30           We are working on getting some adjustments done on Lilly and  
31           Novo Nordisk products (insulin).<sup>90</sup>

32           <sup>87</sup> MCKAWP 0069817.

33           <sup>88</sup> MCKAWP 0069818.

34           <sup>89</sup> MCKAWP 0069818.

35           <sup>90</sup> MCKAWP 0066192.

1 And indeed it happens. On December 3, 2002, Kay Morgan orders her assistant to change the  
 2 mark-up on E.I. Lilly to 25%. There is no mention of a survey to instigate the change.<sup>91</sup> FDB did  
 3 not produce any documents to indicate that one was ever taken.<sup>92</sup> The change to Novo followed  
 4 close behind. On December 19, 2002, Morgan e-mails James: "FYI – Novo is going to 1.25  
 5 today. Can't have their products at 1.2 and Lilly at 1.25."<sup>93</sup>

6 164. Other exchanges also demonstrate the McKesson and FDB worked closely to  
 7 change the mark-ups for brand drugs industry-wide. For example, without any explanation, Kay  
 8 Morgan forwards to Bob James an internal First Data e-mail advising that First Data was moving  
 9 Reliant to a 25% mark-up.<sup>94</sup> Also when Alisha Nielson e-mails Bob James to request a mark-up  
 10 for Enzon and copies Kay Morgan, Morgan responds before James even has a chance to answer:

11 Alisha,

12 Go ahead and put them on 1.25 times WAC.

13 Thanks,

14 Kay<sup>95</sup>

15 165. And in response to James' inquiry about whether First Data had a 25% mark-up on  
 16 some of J&J's product lines, Morgan responded: "We are in sync."<sup>96</sup>

17 166. Likewise Kay Morgan responded to an e-mail from Bob James asking whether  
 18 Prilosec over-the-counter could be considered like the prescription product with a 25% mark-up:  
 19 "Thanks and we have you covered."<sup>97</sup>

22 <sup>91</sup> FDB/NEC 015451. On the contrary, earlier that year Lilly had complained to FDB's CEO and COO  
 23 that FDB was manipulating AWP's. MCKAWP 0068863.

24 <sup>92</sup> See Morgan (2007) at 278:16–279:9 (testifying that she could not recall any other written surveys  
 other than those produced by FDB and identified as exhibits at her deposition.

25 <sup>93</sup> MCKAWP 0069553.

26 <sup>94</sup> MCKAWP 0069782.

27 <sup>95</sup> FDB/NEC 032733.

28 <sup>96</sup> MCKAWP 001188.

<sup>97</sup> MCKAWP 0070967.

1 167. Also consistent with advancing the Scheme, McKesson conducted weekly review of  
 2 First Data's AWP.<sup>98</sup> In April 2002, James forwarded one of McKesson's comparison files to Kay  
 3 Morgan, asking her to

4 let me know if you think this type of information is useful and also if  
 5 you need additional information. *We should be enthused about how*  
 6 *good this is looking.* Thank you for all your cooperation. We can  
 7 get similar information on the rest of the file that would include  
 8 generics and OTC/Home Healthcare but for now I would like to  
 9 focus on brand products[.]<sup>99</sup>

10 Morgan replied: "It's a start. . . . I agree, brand comes first."<sup>100</sup>

11 168. In another instance, James wrote of McKesson's weekly FDB AWP comparison  
 12 files:

13 From the weekly data that I have been using, there are fewer than  
 14 100 brand items where we are not using the FDB AWP because its  
 15 [sic] not correct. They have the WAC and AWP as the same or 0.00  
 16 WAC or an old AWP that is less than our current WAC *or they use a*  
 17 *different multiplier* and round down. I have asked you to find out  
 18 from Rite Aid if they would agree to us putting in a 25% markup (or  
 19 20% spread) on these items *until FDB catches up.*<sup>101</sup>

20 I need to look at all brand Rx AWP's and not just the ones that are  
 21 problems. This will give me a chance to look at the big picture and  
 22 *see what I have left to do.*<sup>102</sup>

23 169. McKesson also discovered that some of First Data's AWP's were low because First  
 24 Data had no data or inaccurate WAC information or none at all. In May 2002, Bob James  
 25 observed, "Most of the problem here [*i.e.* any remaining discrepancies between McKesson's  
 26 suggested sell prices and FDB's AWP's] is that FDB does not have a WAC (just using 00.00[]).  
 27 We are providing them our figures and they will input them next week. This will get us very close  
 28

<sup>98</sup> MCKAWP 0042663.

<sup>99</sup> MCKAWP 0069617 (emphasis added).

<sup>100</sup> MCKAWP 0069640. Over the course of the Class Period, McKesson forwarded several of its AWP  
 comparison files to FDB. *See, e.g.,* MCKAWP 0069717; MCKAWP 0070784; MCKAWP 0070826; and  
 MCKAWP 0070928.

<sup>101</sup> MCKAWP 0063858 (emphasis added).

<sup>102</sup> MCKAWP 0069820 (emphasis added) (e-mail string between James and others at McKesson re FDB  
 AWP comparison report).

1 to being on the money.”<sup>103</sup> The previous month Bob James noted, “We are working with FDB to  
2 improve ‘their accuracy’ on WAC pricing because ours seems to be extremely accurate.”<sup>104</sup>

3 170. To correct this problem and to ensure that the mark-up changes were implemented  
4 promptly when the WAC increases occurred, McKesson decided in April 2002 to

5 monitor (weekly) the items where the FDB WAC and McK WAC are  
6 different and send information to FDB to discover why. These items  
7 should be corrected quickly once we discover the reason it is  
8 happening and correct the process if necessary.”<sup>105</sup>

9 171. The next month Bob Roberts reported: “Kay Morgan has agreed to use our WAC  
10 prices where they show none presently. This is positive.”<sup>106</sup>

#### 11 **4. McKesson Concealed its Collaboration with First Data**

12 172. The implication that McKesson knew that it was not simply participating in an  
13 objective survey process with First Data is further underscored by McKesson’s efforts to maintain  
14 the secrecy of its normalization plan. This secrecy also made it more difficult to discover the  
15 Scheme.

16 173. In a February 21, 2002 e-mail discussing McKesson’s efforts to increase AWP’s,  
17 McKesson’s John Bonner closed with the admonition: “I’m not sure it is something we want  
18 discussed. Please contact him before discussing outside the company.”<sup>107</sup>

19 174. When Brian Ferreira of VPS Retail wrote to Bob James asking him to “[p]lease  
20 provide the list of items and/or manufacturers that were included in the AWP standardization  
21 process,” he knew better than to respond to the request in writing: “Brian, this is an interesting  
22 request. . . . Please give me a call when it is convenient.”<sup>108</sup>

23 175. McKesson knew that if it did not keep its manipulations of the AWP’s a secret, there  
24 would be serious repercussions:

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25 <sup>103</sup> MCKAWP 0068889.

26 <sup>104</sup> MCKAWP 0069615.

27 <sup>105</sup> *Id.* (MCKAWP 0069616).

28 <sup>106</sup> MCKAWP 0069669.

<sup>107</sup> MCKAWP 0066464.

<sup>108</sup> MCKAWP 0069714.

1 Confidentially. Not to pass on. We have [only] about 470 brand Rx  
2 items where McK and FDB AWP's do not match. . . .<sup>109</sup>

3 [Bob James, discussing McKesson's efforts to raise AWP's:] For  
4 obvious reasons we don't want to write a memo and send it out  
5 because it would not be kept confidential.<sup>110</sup>

6 [James, responding to McKesson field associate's request to share  
7 information about McKesson's efforts with her customers:] I would  
8 be careful. . . . You be the judge on how your customer will  
9 interpret.<sup>111</sup>

10 [McKesson field associate writing to John Bonner:] My accounts are  
11 having issues with us 'Normalizing brand pricing at 25%' . . . . You  
12 also mentioned that we should not discuss [this] outside of  
13 McKesson, how would you suggest we answer our customers[']  
14 questions?<sup>112</sup>

15 [McKesson field associate, discussing McKesson's "normalization  
16 plan":] Obviously this is not out to the field.<sup>113</sup>

17 [James, signaling to McKesson employees that they should not state  
18 in writing that McKesson changed its markups to improve its  
19 customers' profitability:] Remember, **"McKesson is doing this to  
20 improve our inefficiencies in our BIS group."** With mixed AWP  
21 spreads, our BIS group is required to make manual overrides (for our  
22 pricing activity) to input the First Data Bank AWP whenever there is  
23 a difference from our Suggested Sell or List Price. It could be stated  
24 as a benefit of the Sixth Sigma method of identifying defects. An  
25 "unintended consequence" is that the profitability of our customers  
26 will be impacted in a positive way. They will basically get 3 1/3%  
27 more profit on Rx's filled with this new AWP spread. (Just imagine  
28 what this would mean on drugs like Lipitor or Prilosec.) [boldface in  
original]<sup>114</sup>

176. And First Data also knew the importance of keeping the Scheme a secret. In  
response to an e-mail inquiry about whether electronic drug pricing publishers were increasing the  
WAC-AWP spread, Kay Morgan denied any involvement and brandished the false "survey"  
defense: "I am most curious as to the source of this rumor. First Data has always used a

<sup>109</sup> MCKAWP 0068889.

<sup>110</sup> MCKAWP 0069591.

<sup>111</sup> MCKAWP 0069592.

<sup>112</sup> MCKAWP 0066464.

<sup>113</sup> MCKAWP 0069732.

<sup>114</sup> MCKAWP 0065895 (emphasis in original).

1 wholesaler survey to determine AWP.”<sup>115</sup> She forwarded the exchange to Bob James at  
 2 McKesson, stating, “I thought you might want to see my answer,” to which he responds: “I love it!  
 3 You are the best.”<sup>116</sup>

4 177. Evidence also suggests that McKesson and First Data agreed, whether explicitly or  
 5 implicitly, to perpetuate the myth of the objective survey process as a means of covering their  
 6 Scheme. For example, after FDB had already agreed to raise the mark-up on Schering products,<sup>117</sup>  
 7 McKesson forwarded the e-mail from Schering asking for McKesson’s help in raising FDB’s  
 8 mark-up on Clarinex so that it could remain competitive with Claritin<sup>118</sup> – another of the drugs that  
 9 were increased as a result of the Scheme: “Even the Shering folks would like to see the AWP  
 10 raised on Clarinex. Last time I spoke with Chuck, *I gave him the standard response about*  
 11 *process.*”<sup>119</sup>

12 178. And publicly, throughout the 2001-2005 period, FDB falsely represented that its  
 13 surveys were “performed with all national wholesalers to determine the appropriate AWP.”<sup>120</sup>

#### 14 **5. McKesson, First Data and Defendants Benefited from the Scheme**

15 179. McKesson benefited from the Scheme because it was able to demonstrate to its  
 16 customers its willingness to create an environment of greater pharmacy profits. McKesson  
 17 anticipated that the Scheme would ensure customer loyalty and possibly increase its customer base,  
 18 and, in fact, McKesson did maintain and increase its customer base.

19 180. McKesson’s customers included the largest retail chains in the country, many of  
 20 whom are Defendants: A&P, Albertsons, Brooks, Costco, Eckerd, Giant Eagle, Hy-Vee, Kinney  
 21 Drugs, Long’s Drugs, Rite Aid, Safeway, Randall’s Shopko, Snyder’s, Spartan, Super D/USA  
 22 Drug, Target, Wal-Mart, Walgreens, and Wegmans.<sup>121</sup>

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23 <sup>115</sup> MCKAWP 0069588.

24 <sup>116</sup> *Id.*

25 <sup>117</sup> *See* MCKAWP 0069818.

26 <sup>118</sup> MCKAWP 0069857.

27 <sup>119</sup> MCKAWP 0069857.

28 <sup>120</sup> *See, e.g.*, FDB-AWP 02023; FDB-AWP 02005.

<sup>121</sup> MCKAWP 0074408.

181. Like most wholesalers, McKesson sold drugs at or below its own cost, and McKesson recognized that it could distinguish itself from other wholesalers by providing an enhanced relationship with customers.<sup>122</sup> Although McKesson and First Data knew the importance of keeping their activities confidential, McKesson also realized that it could “‘market’ [its] efforts” by carefully informing its customers that it was “doing everything possible to ‘raise’ AWP’s when appropriate.”<sup>123</sup> McKesson also appreciated that, if it failed to inform its customers that it was behind all these changes, “it’s possible that some of these accounts will believe that this stuff just happens and our efforts will go unrecognized.”<sup>124</sup> As another McKesson executive put it: “This sounds like something we should at least [be] quietly communicating to our customers in order to get some mileage from it[.]”<sup>125</sup> Greg Yonko concluded: “I also think we should start communicating any AWP changes so customer[s] know what’s going on, the end result should be beneficial.”<sup>126</sup>

182. And so it began:

[To Bartell Drugs:] Celexa and Lexapro will have an AWP markup of 25% or a spread of 20% as soon as FDB information is updated. Look for the change to happen next week. Keep smilin[g] . . . and who said we never listen to our customers (and old friends).<sup>127</sup>

[To Bartell Drugs:] Just wanted you to know that Clarinex AWP spreads went to 20% this week. A few weeks ago Celexa went to 20% as well. Fat cat status is just around the corner.”<sup>128</sup>

[To Rite Aid:] P.S. latest AWP changes . . . Celexa and Clarinex, working on Lilly and Novo.<sup>129</sup>

[To various individuals, not identified by pharmacy:] “I am told” that the mark up on Avonex and both the old and new sku’s of Copaxone will be changed to 25% (to create a 25% spread on WAC/AWP) next week. . . . Yes!! . . . This should have a

<sup>122</sup> See John Bonner Dep. at 12:20-23 (acknowledging that wholesalers sell at or slightly below cost).

<sup>123</sup> MCKAWP 0065895.

<sup>124</sup> *Id.*

<sup>125</sup> MCKAWP 0069732.

<sup>126</sup> MCKAWP 0084300.

<sup>127</sup> MCKAWP 0069817.

<sup>128</sup> MCKAWP 0069901.

<sup>129</sup> MCKAWP 0069911.

significant contribution to your profitability as illustrated by the following example using a reimbursement of AWP – 15% plus \$2.00 fee:

Avonex at 16⅔% spread, profit would be \$18.42 . . . and now at a 25% spread, profit would be \$51.31 . . . not bad! This is an increase of \$32.89 per script.

Copaxone at 16⅔% spread, profit would be \$19.72 . . . an now at 20% spread, profit would be \$57.39 . . . pretty good! This is an increase of \$37.67 per script.<sup>130</sup>

183. A field agent reported that customers were beginning to understand McKesson's efforts: "Some of the more sav vy [sic] stores like Med-X have taken notice."<sup>131</sup>

184. Bob James realized that the goodwill McKesson established with the pharmacies as a result of inflating AWP's would give it a substantial edge over its competition:

In my discussions [with select customers about McKesson's efforts to "normalize" the AWP markup at 25%], one of the comments that was made was "this would certainly be a good reason to renew our agreement with McKesson when its time." Talk about being good partners, wow! This is worth further discussion as we go forward. Maybe a proactive strategy like this will soften some of the activity around asking for lower costs and more benefit.<sup>132</sup>

185. James proposed disclosing McKesson's efforts to customer Omnicare who purportedly was looking for an extra-contractual year-end bonus in the neighborhood of \$500,000:

Omnicare is looking for . . . . . say \$500,000 in benefit from year end deals, even though this was not part of their contract. We need to ask them to roll up or recalculate their reimbursements for last year based on the new AWP's with a 20% spread. And . . . . . this is **not just a one time benefit**. They will receive this now and for each year going forward until they renegotiate their contracts with third parties (and hopefully do not give up this gift).<sup>133</sup>

186. James also noted with pleasure that Kay Morgan spoke "with Eric Sorkin at RiteAid to let him know how much effort we are putting into this AWP thing to get it right."<sup>134</sup> Other customers were also appreciative, for example an unnamed customer from Ohio, who called

<sup>130</sup> MCKAWP 0084327.

<sup>131</sup> MCKAWP 0069732.

<sup>132</sup> MCKAWP 006589.

<sup>133</sup> MCKAWP 0065895 (emphasis, ellipses in original).

<sup>134</sup> MCKAWP 0069669.

McKesson “to say that he was looking at some of these items again and found that the spread appears to have increased significantly on most of these items to the area of 20-21%. He wondered if we had any part in doing this and, if so, he wanted to let us know that he really appreciated our efforts.”<sup>135</sup> Rite Aid was McKesson’s largest customer accounting for 14% of McKesson’s revenues. McKesson’s top ten customers accounted for 55% of its revenues and on information and belief included many of the RICO Defendants.<sup>136</sup>

187. Med-X Corp.’s Director of Operations, Jerry Howard, reviewed the numbers, put two and two together<sup>137</sup> and “was very ex[c]ited about” McKesson “working on AWP expansion.”<sup>138</sup>

188. These internal comments are consistent with the 2007 public statements of McKesson CEO and President John Hammergren, which emphasize that, while McKesson wishes to help its retail customers, it only seeks to do so when that help is mutually beneficial:

As to all of their [pharmacies’] pressures effect on McKesson, all of those [Medicare Part D] things are outside of our scheme. We don’t use AWP or AMP or PDP negotiated prices. Our contractual relationships with our customers are independent of those mechanisms. So to the extent that they are hurt, clearly, they can come back to us and say we would like to have you help us with our margin pressure. And although we’re sympathetic to those plights, they’ve been asking us to help them with their margin pressures for 30 or 40 years. We would have already caused to exist if we had helped them with their margin pressures over the years. So I think that’s more of a market competitive issue for McKesson as to how we would respond, as opposed to whether or not they’re going to ask us for a better deal. We’re asked about a better deal all the time by our customers, and our sales forces and our management teams are trained to only provide better deals if it’s a better deal for McKesson and there’s some way to for us to get a win-win out of it, as opposed to gee, I feel your pain; why don’t you take part of my margin?<sup>139</sup>

189. Of course, increasing AWP’s in collusion with First Data was a “win-win” proposition for McKesson, because it rewarded McKesson’s retail customers without costing

<sup>135</sup> MCKAWP 0069513.

<sup>136</sup> 2002 Form 10-K at 8.

<sup>137</sup> MCKAWP 0069732.

<sup>138</sup> MCKAWP 0069726.

<sup>139</sup> McKesson Corporation at the Goldman Sachs 28th Annual Global Healthcare Conference, *Fair Disclosure Wire* (June 13, 2007).

McKesson. Instead, End Payors and patients all around the country would pay the increased costs of the Scheme.

190. In an internal document dated February 3, 2004, McKesson bragged that it maintained its status as the market share leader by retaining "100% of its key RNA [retail national accounts] base," winning "2-3 new big customers," capturing "30% of regional chains" and expanding its "#1 position" among wholesalers.<sup>140</sup>

191. Although McKesson never mentioned the Scheme or the benefits McKesson derived from it in public filings and other representations to the investing public, McKesson did acknowledge that it benefited from price increases for brand drugs.

192. In an earnings conference call in the first quarter of 2003, McKesson's CEO John Hammergren stated that McKesson's "gross margin expansion is being driven a little bit now by price increases on branded products and if those price increase trends stay the way they are, we could very well see gross margin expansion, as well."<sup>141</sup> Three months later, during a second quarter 2003 earnings conference call, Hammergren stated:

You know, we continue to see a nice drug price inflation, probably in the 4-and-a-half to 5-and-a-half percent kind of range, and certainly as strong as it was in the prior fiscal year. We continue to find ways to leverage our customer base to get margin opportunities for the manufacturers, and we're very positive about the way it looks for the balance of the year.<sup>[142]</sup>

McKesson continued to report the positive effect of price increases for another year.<sup>143</sup>

## **6. McKesson's Internal Documents Admit the Long-Term Effects of the Scheme**

193. While the Scheme was still in its infancy in September 2001, McKesson realized that it would have a profound effect on its customer's profitability:

<sup>140</sup> MCKAWP 0074404 at 74410.

<sup>141</sup> See July 23, 2002 Fair Disclosure Wire article.

<sup>142</sup> See October 21, 2002 Fair Disclosure Wire article.

<sup>143</sup> See January 21, 2003 Fair Disclosure Wire article, Event Brief of Q3 2003 McKesson Corporation Earnings Conference Call (describing "this solid pricing environment" and stating "[t]he pricing levels were above 5%. We feel strongly those products are protected and have good market share and price increases."); July 24, 2003 Fair Disclosure Wire article, Q1 2004 McKesson Corporation Earnings Conference call (stating that "drug price increases continue to be robust").

In August we were able to get the Concerta (formerly an Alza product now JOM) AWP spread raised to 20% from the previous 16 2/3% [i.e. an increase in the markup from 20% to 25%]. Last week we got agreement with First Data Bank on raising the Searle Products, which are now part of Pharmacia, to a 20% spread as well as Genotropin which was a Pharmacia product (with a 16 2/3% spread). This may not seem like a big deal but it has a huge positive impact on the profitability of our customers.<sup>144</sup>

194. Clearly, if McKesson had believed that the increases were only short-term, it would not have bragged about a “huge positive impact on the profitability of our customers.” And in the previously cited e-mail from January 2002, Bob James confirmed this when he explained that McKesson expected their customers to hold onto the “gift” of the increased mark-ups well into the future:

A couple of years ago I was pulled into a conference call with Steve somebody (I think) and our McKesson MHS sales person, about how we were hurting them with our AWP's. He came on very strong and was going to call John Hammergren, etc. We calmed him down by explaining our process and tried to make him understand that we were really their advocates and were doing everything possible to “raise AWP's when appropriate. I haven't heard anything since.”

Here is an idea. Two years later, and having had some recent success in raising AWP's, I think this could be presented to him positively in this way:

Omnicare is looking for . . . say \$500,000 in benefit from year end deals, even though this was not part of their contract. We need to ask them to roll up or recalculate their reimbursements for last year based on the new AWP's with a 20% spread. And this is **not just a one time benefit**. They will receive this now and each year going forward until their renegotiate contracts with third parties (and hopefully do not give up this gift).<sup>145</sup>

195. Similarly, James' April 2003 memo stating that “We played a major role (and still do) in normalizing the AWP's on Brand Pharmaceuticals” also confirms the profound impact of the Scheme:

This has had a huge impact on the profitability of our customers on their insurance based business (which is about 90% now). To summarize this impact, it's the same as lowering their cost of goods 3 1/3% on 70% of the brand drugs. Historically, 75% to 80% of brand pharmaceuticals carried a 16 2/3% AWP spread and the remaining, a

<sup>144</sup> MCKAWP 0065885 (September 18, 2001 e-mail from Bob James to Greg Yonko).

<sup>145</sup> MCKAWP 0065895 (January 7, 2002 e-mail from Bob James to Greg Yonko, *et al.*) (emphasis in original).

20% spread. Today, almost 95% of brand drugs carry a 20% spread. This has provided millions of dollars in improved profits across our industry.<sup>146</sup>

196. As many as *three years* after the Scheme was implemented, McKesson employees were still internally congratulating each other about its success.

197. For example, in a July 30, 2004 e-mail, McKesson's John Bonner acknowledged the Scheme's impact on payors and the corresponding benefit to McKesson's clients:

We try to "push" the AWP up to 25% above WAC rather than 20%. This may cause your customer some short term reimbursement pain with the payors but in the long run, if AWP at First Data Bank goes from 20% to 25%, your customer will benefit.<sup>147</sup>

Most payors reimburse pharmacies at AWP minus 15 to 17%. *The higher AWP markup percentage, the more they are paid by the insurance company.* Pharmacies barely break even on items with 20% AWP.<sup>148</sup>

198. Again in July 2004, McKesson was calculating how much the price increase at Johnson & Johnson had earned one of their clients: "Please see below for the work up of what the impact has been for Omnicare on JOM products relative to the change in AWP spread. Three years ago J & J products were all 16 ⅔% AWP spread products. Today, almost all of them are 20% spread. Procrit just changed last month."<sup>149</sup> McKesson concluded that, for Procrit alone, profits tripled, and taking all JOM products together, the effect is "*more than 3 times the profit as before.*"

199. Similarly, in April 2004, when writing to a manufacturer to decline its request to set the mark-up for its products at 20%, James explained:

[T]hings have pretty much normalized at a 20% spread (1.25 markup) for Brand Rx, which has been extremely beneficial for our customers. . . . Why do you want to take the profitability away from the retail pharmacies by trying to use a spread of 16 ⅔% when almost all other companies are getting a 20% spread. *If you have any doubts about what I am saying, please contact Scott Johnson at*

<sup>146</sup> MCKAWP 0065592.

<sup>147</sup> The "customer" here is a McKesson retail client.

<sup>148</sup> MCKAWP 0076289 (e-mail string, including July 29, 2004 e-mail from John Bonner to Benjamin Coppolo).

<sup>149</sup> MCKAWP 0068131-32 (e-mail string, including July 28, 2004 e-mail from Bob James to Andrew Stubbs, *et al.*).

*Albertsons, Dave Vucurevich or Greg Drew at Rite Aid, Frank Seagraves at Wal Mart, or Frank Scorpiniti at Longs.*<sup>150</sup>

200. That McKesson was touting its benefits to Albertsons, Rite Aid, Longs and Wal-Mart in 2004 underscores the evidence that the Scheme had long term effects on End Payors and that these RICO Defendants knowingly joined the Scheme.

**7. Evidence from Manufacturers Also Confirms the Existence of the Scheme and the Impact on Plaintiff and Members of the Class**

201. The Scheme is corroborated by evidence from manufacturers. For example, an internal memo from Johnson & Johnson ("J&J") from May 15, 2002, titled "Wholesaler manipulation of AWP" stated:

At a recent McKesson meeting Greg Yonko confirmed that McKesson was changing average selling price to reflect a higher spread on AWP. . . . McKesson is implementing the change after companies implement a price increase. . . . Amerisource and Cardinal have indicated that they are NOT implementing the same strategy. It is safe to assume that if McKesson is successful and the change in AWP is reflected in First Data Bank and Red Book, then ABC and Cardinal will follow.<sup>151</sup>

202. Other J&J documents also recognize that the Scheme caused artificial increases for end-payors, while increasing pharmacy profits:

It has come to our attention that pricing services such as First DataBank are now adjusting our recommended AWP's based on a WAC + 25% formula. The result is a win for providers (pharmacies) since their reimbursement from Medicaid is increased. The state pays more and there is additional pressure on the industry as a whole because state expenditure for drugs will increase. This is an artificial price increase and setting of the AWP is out of our hands.<sup>152</sup>

203. J&J drafted an internal memo in which it addressed First Data's unauthorized increase of J&J's mark-up to 25%. It observed:

Since AWP is the basis for reimbursements in many segments, this action will increase the strain on multiple payers. The inflated AWP's would benefit pharmacies under Medicaid payment procedures and

<sup>150</sup> MCKAWP 0071694 (April 20, 2004 e-mail from Bob James to Chad Lucero).

<sup>151</sup> MDL-OBI00002828-39; *see also* MDL-OBI00040610-15 (May 13, 2002 J&J e-mail with attachments showing that ABC, Cardinal and McKesson each had 20% mark-ups for Procrit and Epogen, but noting "Bob James confirms that AWP for both PROCIT and Epogen will be moving to cost x 1.25 in the near future.").

<sup>152</sup> MDL-JJ00000110.

since AWP is the primary basis of Medicaid reimbursement, the impact to states could be significant.

\* \* \* \*

When probed by various J&J contacts, FDB provided contradictory responses . . . ranging from: the use of survey methods and techniques have not changed: the data is what it is. . . to the other end of the spectrum . . . it was a deliberate action: "J&J will be a +25% company" as would other 20% companies to standardize data collection and reporting requirements on FDB. There was not much detail provided regarding survey techniques. J&J trade relations believe the major wholesalers are surveyed and two out of the three majors would be enough to change the price point. From a wholesaler perspective the theory exists that this would be a way to enamor themselves with the retail pharmacies, as greater profits would be realized by the pharmacists.<sup>153</sup>

204. A Bristol Myers Squibb presentation also observed the changes, but assumed that it was all First Data's doing:

First Data Bank has changed the way they create AWP. In the past, some manufacturers list prices was marked up 20.5%, others 25% based on the product labeler code. Now, concurrent with price increases, 25% mark-up is being applied, regardless of historical precedence.<sup>154</sup>

205. The same is true about AstraZeneca, which observed:

Recently, FirstDataBank [sic] has independently begun to revise the AWP for all branded pharmaceutical products to a 25% markup. We have been informed that FirstDataBank [sic] is taking this action to create consistency in price reporting. For AstraZeneca products with a 20% spread, the spread will increase to 25% at the time of the WAC price change, beginning on January 1, 2002, or by the end of the 1<sup>st</sup> Qtr 2002, even if the price change was not changed. We have seen the change to AZ and other companies' products that had price changes in 2002.

**How the spread changes could impact the industry and healthcare system**

- Price perceptions – AWP is sometimes used to compare prices so a higher spread appears to inflate the prices of pharmaceutical products. As an example, the new AWP price for Nexium 40 mg capsules is \$4.32 – it would have been \$4.14 without the spread changes.

<sup>153</sup> MDL-CEN00103686 (Ortiz exhibit 001). Ms. Ortiz testified that the memo represented a summary of her research into the question of the AWP reporting issue. Ortiz Dep. at 88:14-20.

<sup>154</sup> BMS/AWP/01109780.

- Pharmacy reimbursement – a higher spread can translate into higher reimbursement to retailers and mail order pharmacies to the extent a reimbursement formula for private third party and Medicaid RX's is anchored off of AWP.

\* \* \* \*

- Price comparisons – since AWP is sometimes used to compare the prices of competing products the change in spread will cause price differences to appear greater or lesser depending on the specific situation. . . . However, according to FirstDataBank [sic] the spread for all branded drugs will be changed to 25% by the end of the 1<sup>st</sup> Qtr 2002.<sup>155</sup>

206. First Data kept the ruse alive when it told Aventis that wholesalers were driving the changes:

First DataBank has advised me that after surveying the wholesalers, they feel that there are very few manufacturers that still have a 20% AWP to AWC spread. As a result First DataBank has determined to employ a higher 25% AWP to WAC spread for all Aventis products. This will be implemented as we have price changes. Immediately the entire line of Allegra will be moved to a 25% spread from its current 20%. This will be effective immediately. The most noticeable will be that it will be more profitable for the retail pharmacist to dispense Allegra.<sup>156</sup>

207. Although they ultimately did nothing about it, many of the manufacturers objected to the increases.<sup>157</sup>

#### **8. The Other Major Wholesalers – Amerisource Bergen and Cardinal – Declined to Manipulate AWP or Participate in the Scheme**

##### **a. While Cardinal and ABC Faced the Same Pressures as McKesson from Defendants to Increase Profit Margins, They Did not Join the Scheme**

208. Although wholesaler prices are based on WAC, not AWP, wholesalers maintain AWP's for their customers' benefit to allow them to calculate their reimbursement.<sup>158</sup>

<sup>155</sup> AZ 00461109 (Freeberry, Exhibit Q, identified, Freeberry Dep. at 114:14-19).

<sup>156</sup> AV-BCA-0010336.

<sup>157</sup> See, e.g., MDL-OBI00002617 (J&J); Deposition of John Freeberry (May 20, 2004) at 118:11-120:18; 125: 7-15 (AstraZeneca). FDB-AWP 053695 at FDB-AWP 053697(GlaxoSmithKline); see also MCKAWP 0068863 (Morgan e-mail to James, dated April 30, 2002: "ARGHH!!!!!! Lilly told our CEO and COO we were setting AWP.").

<sup>158</sup> See, e.g., MCKAWP 0084291 ("Regardless of where product management says the customer should get the AWP, the fact of the matter is that a lot of them I am sure use the AWP from our system for

209. But even though other wholesalers like ABC and Cardinal provided AWP information to their customers, they refrained from engaging in any scheme with First Data or otherwise manipulating pricing data.

**(1) Cardinal**

**(a) Where possible, Cardinal set its "Reference Price" based on what manufacturers told Cardinal**

210. Like McKesson's Suggested Sell Price, Cardinal has a sell price in its "Master Item File" or "MIF" database called Cardinal "Reference Price."

211. Unlike McKesson, which revised its Suggested Sell Price without regard to manufacturer suggestion in order to increase First Data's published AWP, Cardinal always relied on the manufacturer suggested price or historical mark-up and applied a default mark-up only if it had no mark-up information.

**(b) Cardinal ensured that its AWP Reference Price would not be confused with FDB's AWP**

212. Cardinal took pains to ensure that its Reference Price was not confused with actual published AWP. Historically, Cardinal published a "Corporate AWP" or "Cardinal AWP." In approximately 2000, Cardinal began reconsidering the label "Corporate AWP" because the field was based on vendor information, not a calculation of an average, as the name "AWP" suggested.

213. Cardinal decided to call its sell price "Reference Price" because it did not want to be presumed to be a party that sets AWP.

**(c) Cardinal never responded to FDB "surveys"**

214. Cardinal was largely unaware of First Data's wholesaler surveys until about 2000. An internal Express Scripts document from 2002 reflects that representatives from Cardinal told employees at Express Scripts that they believed First Data surveyed three wholesalers: McKesson, AmerisourceBergen, and D&K.<sup>159</sup>

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reimbursement. And yes, this [discrepancies between McKesson's list prices and what the vendors or FDB list as the AWP] would definitely be a problem.").

<sup>159</sup> ESI-414-00004275.

1           215. It has been Cardinal's policy since at least 1998 never to share its pricing  
2 information with third parties, including First Data. Thus, Cardinal not only refused to participate  
3 in First Data's "surveys," but, other than forwarding manufacturer price announcements, also  
4 refused to provide First Data pricing information at all.

5           216. Cardinal's policy of non-disclosure was well-enforced. Cardinal was aware of only  
6 a single instance in which a Cardinal employee had provided AWP information to First Data.  
7 After that incident occurred, the employee was instructed never to do so again, and Cardinal held a  
8 meeting at which this message was conveyed.

9           217. Notes from an internal First Data meeting on June 7, 2000 – over a year before the  
10 Scheme began – confirm that Cardinal informed First Data that it did not want to take part in its  
11 survey:

12                     Steve is saying that Cardinal didn't want to participate in [FDB's]  
13                     survey. Kay [Morgan] wants to continue to include Cardinal. . . .  
14                     Doesn't know if they want to be in the position of setting AWP [in  
                          case] Cardinal heard back from their customers that they are setting  
                          the wrong AWP.<sup>160</sup>

15           The notes also identify as First Data's contact for Cardinal the same Cardinal employee who was  
16 rebuked for violating Cardinal's policy of disclosing unpublished pricing information.<sup>161</sup>

17           218. Cardinal asked her to stop calling about pricing information.<sup>162</sup> She further  
18 conceded that the only mark-up information that she received from Cardinal after that point was  
19 limited to instances in which there was a product that Cardinal wanted listed that was not carried  
20 by any other wholesalers.<sup>163</sup>

21           219. FDB's document production further undermines its contention that it relied on  
22 Cardinal's involvement in the survey process. FDB produced three written surveys which purport  
23 to show Cardinal involvement. All three pre-date the August 2001 start of the Scheme. Two are  
24 dated in April 2000, within a few months of the FDB meeting in which the errant Cardinal

25  
26           <sup>160</sup> FDB-AWP 028338 at 28340.

27           <sup>161</sup> *Id.* at 28338.

28           <sup>162</sup> Morgan 2007 Dep. at 49:4-6.

<sup>163</sup> *Id.* at 55:8-58:1.

1 employee is identified as FDB's contact from Cardinal and in which it is conceded that Cardinal  
 2 does not want to participate in FDB's surveys.<sup>164</sup> A third is dated May 14, 2001, three months  
 3 before the Scheme began. However, in this latter document FDB's third person reference to  
 4 Cardinal, *i.e.* "Cardinal - uses manufacturer suggested AWP" stands out in contrast with its second  
 5 person references to Bergen and Amerisource, *i.e.*, "Bergen - Use AWP provided by Lilly, let us  
 6 know if you think we should reconsider this," and "Amerisource - Unusual. We have 1.20 for  
 7 00002, but the NDCs in question are 1.25."<sup>165</sup> FDB's use of the third-person to describe  
 8 Cardinal's position suggests that it is not referencing Cardinal's personal response to the May 2001  
 9 survey, but rather representing what it understood to be Cardinal's pricing policy.

10 220. This attempt to include Cardinal's pricing policy as part of the AWP calculation was  
 11 inconsistent with Cardinals' clear intention that it did not want to take part in the survey or  
 12 otherwise influence AWP pricing. And even Kay Morgan conceded that she continued to try to  
 13 call Cardinal for mark-up information even after she had been asked not to call, which is  
 14 inconsistent with her professed belief that she had clear instructions from Cardinal as to how to use  
 15 their input in a wholesaler survey.<sup>166</sup>

16 221. The testimony of Alisha Nielson, who, with Kay Morgan, was solely responsible for  
 17 updating First Data's mark-up database, is also consistent with Cardinal's lack of involvement.<sup>167</sup>  
 18 While she testified that First Data "looked to Bergen, Cardinal and McKesson" in the 2001-2005  
 19 period for mark-up information,<sup>168</sup> Ms. Nelson admitted that she did not know whether First Data  
 20 had any contacts at Cardinal for wholesaler surveys in this period.<sup>169</sup>

21 222. Thus, First Data was not surveying Cardinal, one of the "Big Three" wholesalers, at  
 22 any time during the Scheme.

23 <sup>164</sup> FDB/NEC 018527; FDB/NEC 018521, compare FDB-AWP 028338-42 (FDB meeting notes).

24 <sup>165</sup> FDB/NEC 015320. There is no verb and thus no reflection of person in FDB's reference to  
 25 McKesson, *i.e.*, "McKesson - 1.20."

26 <sup>166</sup> Morgan Dep. 2007 at 287:7-289:2.

27 <sup>167</sup> Nielsen Dep. at 53:7-19; 60:5-8; 131:5-19.

28 <sup>168</sup> Nielsen Dep. at 70:11-17.

<sup>169</sup> Nielsen Dep. at 165:10-24.

**(d) Cardinal refused to respond to Defendants' pressures to raise its mark-up**

223. Nor did Cardinal otherwise manipulate prices. In October 2002, Cardinal sales representatives were complaining that their customers were concerned because the AWP's Cardinal listed were lower than the AWP's listed by its competitors, yet Cardinal refused to become involved in any price manipulation. Similarly, documents from the PBM, Express Scripts, indicate that when Cardinal was approached by a pharmacy and asked to increase its mark-up, Cardinal refused to do so.<sup>170</sup>

224. Even when Cardinal received calls from customers after the Scheme had taken effect, it maintained its pricing policy.

**(2) Amerisource Bergen**

**(a) ABC based its AWP's on manufacturer information and, when that source dried up, on FDB's AWP**

225. ABC was the product of an August 2001 merger of AmeriSource and Bergen Brunswig. The AmeriSource legacy company used a formulation called "AAS AWP," which was similar to McKesson's Suggested Sell Price, and Bergen's legacy company had one called "BBCWP."

226. ABC utilized the historical mark-up because it believed AWP should be standardized throughout the industry.

227. When AmeriSource and Bergen Brunswig merged to form ABC, ABC conducted a reconciliation to ensure that all of its AWP's, and the methods by which they were calculated, were the same. Although ABC found it difficult to manually enter AWP changes, ABC never considered standardizing all of its mark-ups in order to make the process easier.

<sup>170</sup> See ESI-414-00004275; see also ESI-414-00003844.

**(b) ABC never responded to FDB “surveys”**

228. ABC is not aware of anyone ever being surveyed by First Data, responding to surveys, providing any type of pricing information to First Data, or providing First Data with ABC’s method for calculating its proprietary AWP.<sup>171</sup>

229. Similarly, there are no FDB survey documents from any time during the Scheme purporting to show ABC (or its predecessors, Bergen and Amerisource) participating in the survey process. Alisha Nielson conceded that during the merger, acquisition, and subsequent layoffs of ABC employees, FDB was not getting sufficient information from ABC.<sup>172</sup>

230. In October 2003, First Data held a conference call with ABC, hoping to convince ABC to participate in FDB surveys, but was unsuccessful.<sup>173</sup>

**(c) Despite pressures from its customers to raise its mark-ups, ABC adhered to manufacturers’ historic mark-ups**

231. Like Cardinal, ABC, too, faced pressure from its customers to raise its AWP. Nonetheless, ABC never considered using a standardized mark-up of its own choosing.

232. Even after the Scheme took effect, ABC resisted adopting First Data AWP for years.

**C. Fraudulent Concealment and Continuing Violation**

233. The RICO Defendants, McKesson and FDB cleverly hid their conduct behind FDB’s confidential survey process to avoid detection and to preserve for as long as possible the benefit they had conferred to themselves and other pharmacies.

234. Additionally, McKesson and FDB made affirmative misrepresentations about their role in the Scheme, including without limitation, falsely attributing mark-up increases to the wholesaler industry as a whole, as opposed to McKesson’s secret normalization agenda.<sup>174</sup>

<sup>171</sup> Affidavit of Denny Lindell (Mar. 1, 2006) (describing results of investigation).

<sup>172</sup> Nielson Dep. at 96:11–97:8.

<sup>173</sup> Morgan at 242:4–243:1; *see also* FDB/NEC 032851; *see also* FDB/NEC 032852-53 (internal FDB e-mail, dated September 15, 2004, discussing FDB’s negotiations with ABC to provide pricing data).

<sup>174</sup> *See, e.g.*, AVA-BCA-0010336.

235. FDB continued to make false or misleading statements about the integrity of its data and the means by which it calculated its AWP.<sup>175</sup> FDB also kept McKesson's participation in the process secret by refusing to disclose the alleged survey results on alleged grounds of confidentiality.<sup>176</sup>

236. Additionally, when asked directly whether First DataBank was in the process of normalizing mark-ups, First DataBank not only denied this and demanded to know the source of this "rumor," but forwarded its response to McKesson's Bob James, who responded: "I love it! You're the best."<sup>177</sup>

237. Similarly, in a conference call with Aetna, McKesson denied that it had any control over rising AWP,<sup>178</sup> while at the same time it bragged to select customers that McKesson had "done [its] part" to increase AWP through increased mark-ups.<sup>179</sup>

238. Nor did McKesson publicly reveal its normalization scheme, knowing that if the increases were revealed, managed care would renegotiate with retail pharmacies and McKesson's "gift" to retailers would be lost.<sup>180</sup>

239. The effects of the Scheme were further obscured because First Data stored its mark-up information separately from its database of published prices and generally increased the mark-up on individual drugs only when the manufacturer announced a change to the WAC.<sup>181</sup>

<sup>175</sup> For example, FDB-AWP 02005 (page from FDB's website, dated November 4, 2002) (stating that FDB surveys each of the national wholesalers to determine mark-up), which Kay Morgan acknowledged was never a true statement of FDB's survey practice. Patricia Kay Morgan 6.28.07 Dep. at 100:16-23.

<sup>176</sup> See, e.g., FDB-AWP 053695 at FDB-AWP 053697 (March 1, 2002 letter from GlaxoSmithKline complaining of the mark-up increases: "First DataBank has not been willing to share any information regarding that survey or to disclose any other data that might form the basis for this change in the formula. We were informed that First DataBank considered the data to be proprietary. We were also told by certain of your personnel that, because First DataBank alone sets AWP, we had no standing to request an explanation from First DataBank for the extent of these increases in AWP."); Freeberry Dep. (May 20, 2004), at 114:18-24 (regarding AstraZeneca's efforts to address FDB's unauthorized increases of its mark-ups: "Q: Have you ever reviewed any of the wholesaler surveys that First DataBank purportedly did? A: I asked for them; they weren't provided.").

<sup>177</sup> MCKAWP 0069588.

<sup>178</sup> MCKAWP 0078652.

<sup>179</sup> MCKAWP 0065895.

<sup>180</sup> MCKAWP 0065895.

240. It was McKesson and FDB's standard practice to delay the implementation of the mark-up increase until the WAC prices were published and both changes would take place at once. For example, when Bob James e-mailed FDB to ask Kay Morgan if she would "check the AWP for Remicade," Alisha Nielson responded:

Hi Bob,

They (Centocor) are a 25% company. However, they have not had any price changes on this Remicade product since 2001 ... prior to the markup. I'll bring this to Kay's attention. Not sure if ... [she] would want to take action on it right now because it would trigger a lot of questions on why there was a change to the item when the MFG hasn't sent any price changes.

Have a wonderful day!

Alisha Nielson<sup>182</sup>

241. Because the artificial mark-up increases were taken at the same time and overshadowed by the manufacturers' published WAC increases, most payors were unaware of any mark-up increases and attributed the overall increases to manufacturer price hikes.

242. Finally, in a March 15, 2005 letter, First Data announced that its purported survey method of determining AWP's would be discontinued, but it did not disclose the Scheme or otherwise inform the public that its AWP's were the product of manipulation by FDB and McKesson. On the contrary, reviewing its past practices with respect to establishing AWP, First Data restated that it had conducted surveys to establish AWP's:

March 15, 2005

**Re: First DataBank's Blue Book AWP Data**

Dear Customer:

It is our pleasure to serve you as a customer of First DataBank. We are writing to make you aware of upcoming changes to First DataBank's National Drug Data File Plus<sup>TM</sup> database, or NDDF Plus<sup>TM</sup>, that may impact your use of our products.

In order to publish various drug pricing data fields available through its NDDF Plus database and related products, First DataBank has

<sup>181</sup> Alisha Nielsen at 84:16-85:3; 158:2-7; *see also* MCKAWP 0069609 (explaining the delay between the change in mark-up and when it takes effect with the announcement of price changes).

<sup>182</sup> MCKAWP 0071440.

historically relied on drug manufacturers and wholesalers to report or otherwise make available information concerning their list price for drugs. Unfortunately, First DataBank is no longer able to obtain information relating to list prices directly from wholesalers in a manner that is consistent with First DataBank's editorial standards and policies. In fact, it is our understanding that some wholesalers often do not use catalog or list prices as a basis for determining actual transaction prices. As a result, First DataBank must implement certain changes to its publication of the "Blue Book AWP" pricing data field. Effective immediately, First DataBank will no longer survey drug wholesalers for information relating to their catalog or list prices.

First DataBank historically relied upon wholesalers to provide information relating to their catalog or list prices for purposes of publishing the Blue Book AWP data field. ***First DataBank periodically surveyed full-line national wholesalers to determine the average markup applied to a manufacturer's line of products. The average markup of the wholesalers responding to the survey was applied against the Wholesale Acquisition Cost (the manufacturer's list price to wholesalers, also commonly referred to as WAC) or, if a Wholesale Acquisition Cost was not available, the Direct Price (the manufacturer's list price to non-wholesalers), with the resulting value populating the Blue Book AWP field. In certain instances, wholesalers would accept a manufacturer's suggested wholesale price, in which case the Blue Book AWP and Suggested Wholesale Price data fields would reflect the same value.***<sup>183</sup>

243. Plaintiff had no knowledge of the Scheme as it relates to McKesson and First Data prior to August 2008 when it received documents from a proposed settlement with First Data in the *New England Carpenters* matter pending before the Court.

244. Plaintiff had no knowledge of any facts that might have led to the discovery of the claims alleged herein until Plaintiff consulted its counsel regarding the above settlement.

245. Plaintiff could not have discovered the existence of the Scheme, claims and conspiracy alleged herein at an earlier date by the exercise of reasonable due diligence because of the deceptive practices and secrecy employed by McKesson and its co-conspirators First DataBank and the RICO Defendants to avoid detection and their affirmative concealment of such violations. Indeed, the RICO Defendants successively submitted false claims for Marked Up Drugs throughout the Class Period notwithstanding their knowledge of the falsity of these claims.

<sup>183</sup> MCKAWP 0054057.

1           246. As a result of the active fraudulent concealment of the conspiracy, Plaintiff asserts  
2 the tolling of the applicable statute of limitations affecting the causes of action by Plaintiff and  
3 members of the Classes. Moreover, the RICO Defendants' actions in submitting false claims  
4 constitutes a continuing violation because each and every payment of such claims and purchase of  
5 drugs at artificially inflated prices is an overt act that injured Plaintiff and members of the Classes.  
6 These artificially inflated prices continue to exist because McKesson, FDB and the RICO  
7 Defendants have failed to disclose their illegal conduct and its effect on the prices paid by Plaintiff  
8 and members of the Classes for brand-name drugs. In addition, McKesson, FDB, and the RICO  
9 Defendants committed numerous overt acts in furtherance of the Scheme and conspiracy, both  
10 within and prior to four years preceding the date of the filing of this Complaint. Such overt acts  
11 include the illegal meetings, communications, and misrepresentations regarding the fraudulent  
12 Scheme described herein, as well as the continued submission of false claims for payment to  
13 Plaintiff and members of the Classes by the RICO Defendants. Every act committed by the RICO  
14 Defendants in furtherance of the Scheme is a new and separate violation and part of a continuing  
15 course of illegal conduct that operates to toll any applicable statutes of limitation.

16           247. Similarly, each time a Defendant received and continues to receive an inflated  
17 payment from Plaintiff and members of the Classes, the Defendant is and was unjustly enriched.  
18 Given the ubiquitous use of AWP and FDB and/or Medispan data as benchmarks for prescription  
19 drug reimbursement, Plaintiff and members of the Classes were and are forced to use this  
20 information and data to make payments for Marked Up Drugs.

## 21                           **VI. CLASS ACTION ALLEGATIONS**

22           248. Plaintiff brings this action against each Defendant pursuant to Rule 23 on behalf of  
23 itself and as a representative of the following Class ("Unjust Enrichment Class" or "Class"):

24                           All persons and entities in the United States and its territories that  
25                           paid Defendant for all or part of Marked Up Drugs based on AWP  
26                           from August 1, 2001 to the present and that used First Data or Medi-  
27                           Span data in determining the AWP of the Marked Up Drugs. The  
28

1 Marked-Up Drugs are all drugs identified in Exhibit A and consist of  
2 brand-name drugs only.<sup>184</sup>

3 Excluded from the Unjust Enrichment Class are: (a) the respective Defendant and any entity in  
4 which any Defendant has a controlling interest, and their legal representatives, officers, directors,  
5 assignees and successors, (b) the federal government, (c) State Medicaid programs, and (d) cash  
6 payors. Also excluded from the Unjust Enrichment Class are any judicial officers to whom this  
7 action is assigned, together with any relative of such judicial officers within the third degree of  
8 relationship, and the spouse of any such person.

9 249. Plaintiff also brings this action pursuant to Rule 23 on behalf of itself and as a  
10 representative of the following Class ("RICO Defendant Class" or "RICO Class") pursuing RICO  
11 claims against the RICO Defendants:

12 All persons and entities in the United States and its territories that  
13 paid for all or part of the cost of Marked Up Drugs based on AWP  
14 from August 1, 2001 to the present and that used First Data or Medi-  
Span data in determining the AWP of the Marked Up Drugs. The  
Marked-Up Drugs are all drugs identified in Exhibit A and consist of  
brand-name drugs only.<sup>185</sup>

15 Excluded from the RICO Defendant Class are: (a) Defendants and any entity in which any  
16 Defendant has a controlling interest, and their legal representatives, officers, directors, assignees  
17 and successors, (b) any co-conspirators, (c) the federal government, (d) State Medicaid programs,  
18 and (e) cash payors. Also excluded from the RICO Defendant Class are any judicial officers to  
19 whom this action is assigned, together with any relative of such judicial officers within the third  
20 degree of relationship, and the spouse of any such person.

21 250. Each Class consists of thousands of class members geographically dispersed  
22 throughout the United States and its territories, making individual joinder impractical, as required  
23 by Rule 23(a)(1). These class members may be identified from information and records  
24 maintained by Defendants or third-parties.

26 <sup>184</sup> The exact identify of the drugs at issue in this lawsuit may be identified through records in the  
possession of Defendant. Based on information currently available, Exhibit A contains a list of such drugs.

27 <sup>185</sup> The exact identify of the drugs at issue in this lawsuit may be identified through records in the  
28 possession of Defendant. Based on information currently available, Exhibit A contains a list of such drugs.

251. Plaintiff is a member of each Class<sup>186</sup> and Plaintiff's claims are typical of those of each Class because all members of the Classes were similarly affected by Defendants' unjust enrichment and/or wrongful conduct in violation of the federal racketeering laws. All members of the Classes were deprived of the benefits of accurate and lawful pricing for brand-name drugs as a result of Defendants' conduct.

252. Plaintiff, as a representative of all Class members, will fairly and adequately protect the interests of each Class. Plaintiff has engaged counsel who are highly experienced and competent in class action and complex litigation, including litigation involving the healthcare industry. Plaintiff's interests are consistent with, and not antagonistic to, those of the members of each Class. An effective and practicable manner of notice to such members of the Class can be fashioned by the Court.

253. Common questions of law and fact exist as to all Class members and predominate over any questions solely affecting individual Class members. Such common questions of law and fact include:

a. Whether AWP's published by First Data are used as a contractual benchmark for payments by End Payors for drugs;

b. Whether the RICO Defendants engaged in a conspiracy to fix or raise the WAC-to-AWP markup and the AWP's used by Plaintiff and other members of the Class as the basis for reimbursement for the drugs that are the subject of this Complaint;

c. Whether the RICO Defendants assisted in a course of conduct that improperly inflated the WAC-to-AWP markup and the AWP's used by Plaintiff and other members of the Class as the basis for reimbursement for the drugs that are the subject of this Complaint;

d. Whether the RICO Defendants engaged in deceptive and/or fraudulent activity intended to defraud Plaintiff and other members of the Class;

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<sup>186</sup> Plaintiff is an appropriate class representative for each Class and has purchased brand-name drugs in numerous states during the Class Period. Accordingly, Plaintiff has not specifically named class representatives for every jurisdiction in accordance with the ruling in *In re Pharm. Indus. Avg. Wholesale Price Litig.*, 252 F.R.D. 83, 2008 U.S. Dist. LEXIS 73687, \*77 (D. Mass. 2008). Should the Court so require or direct, Plaintiff is prepared to name proposed class representatives for every jurisdiction or for each statewide class the Court may designate.

1 e. Whether the RICO Defendants engaged in conduct that violated the federal  
2 racketeering laws as alleged herein;

3 f. Whether Plaintiff and the other members of the Class were injured by the  
4 conduct of the RICO Defendants and, if so, the appropriate class-wide measure of damages; and

5 g. Whether Plaintiff and the other members of the Class are entitled to  
6 restitution for the unjust enrichment of the Unjust Enrichment Defendants.

7 254. Prosecution of separate actions by individual Class members would create the risk  
8 of inconsistent or varying adjudications with respect to individual Class members that would  
9 establish incompatible standards of conduct for Defendants.

10 255. Defendants have acted on grounds generally applicable to all Class members in that  
11 Defendants' unjust enrichment and/or participation in the RICO conspiracy described herein  
12 uniformly impacted all Class members. Accordingly, injunctive relief is necessary to protect all  
13 Class members from further injury.

14 256. Plaintiff knows of no difficulty that would prevent this case from being maintained  
15 as a class action. Class action treatment is a superior method for the fair and efficient adjudication  
16 of this controversy. Class action treatment will, among other things, allow a large number of  
17 similarly situated End Payors to prosecute their common claims in a single forum, thus avoiding  
18 the unnecessary duplication of resources that numerous individual actions would require.  
19 Moreover, class action treatment allows injured End Payors, such as small health plans or self-  
20 insured municipalities, the ability to seek redress on claims that might be impracticable to pursue  
21 individually.

22 257. This case also presents common issues of fact and law that are appropriate for issue-  
23 class certification under Rule 23(c)(4) if the Court deems such issue certification appropriate.

VII. CLAIMS FOR RELIEF

COUNT I  
CIVIL RICO  
(18 U.S.C. § 1962(C))

(On Behalf of Plaintiff and the RICO Class  
Against the RICO Defendants)

258. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein and further allege as follows.

259. The RICO Defendants violated 18 U.S.C. § 1962(c) by associating with an enterprise that engaged in a pattern of racketeering activity.

260. Plaintiff, McKesson, First DataBank, and the RICO Defendants are each “persons,” as that term is defined in 18 U.S.C. § 1961(3).

261. At all relevant times, McKesson, along with its co-conspirators, First DataBank and the RICO Defendants, conducted the affairs of certain association-in-fact enterprises identified herein, the affairs of which affected interstate commerce through a pattern of racketeering activity. In the alternative, Plaintiff, which is a legal entity, constitutes an enterprise.

**A. McKesson, First Data, and the RICO Defendants Formed an Association-in-Fact RICO Enterprise; in the Alternative, Plaintiff is an Enterprise Which was the Victim of the RICO Defendants’ Racketeering Activity**

262. For purposes of this claim, certain RICO “enterprises” are associations-in-fact within the meaning of 18 U.S.C. § 1961(4), consisting of (a) First Data and (b) McKesson, and (c) the RICO Defendants, including their directors, employees and agents. These associations-in-fact, are sometimes collectively referred to herein as the “Mark Up Enterprise” or “Enterprise.” The Enterprise is an ongoing and continuing business organization consisting of both corporations and individuals that are and have been associated for the common or shared purposes of (a) publishing or otherwise disseminating pharmaceutical price information, which all too often includes disseminating false and misleading AWP; (b) implementing the Scheme; (c) deriving increased profits from the activities of the Enterprise; and (d) perpetuating the use of AWP as a benchmark for reimbursement in the pharmaceutical industry. First Data, McKesson and the RICO Defendants each had a common purpose of perpetuating the use of AWP as a benchmark for

1 reimbursement in the pharmaceutical industry, inflating AWP, and defrauding Plaintiff and  
2 members of the Class for the purpose of increasing the RICO Defendant's profits through the  
3 receipt of inflated payments for Marked Up Drugs.

4 263. McKesson helped initiate the Scheme and provided FDB with the information  
5 necessary to carry it out, including but not limited to its proposed mark-up, current WACs, and its  
6 weekly FDB AWP comparison charts to chart the progress of the Scheme.

7 264. FDB published the inflated AWP and kept up the ruse that the AWP were the  
8 result of an objective survey process. It coordinated with McKesson to disguise the Scheme,  
9 including but not limited to claiming that the results of its alleged surveys could not be disclosed  
10 on the grounds that they contain proprietary information and by falsely representing that the  
11 changes were attributable to government investigation of AWP and generalized movements in the  
12 pharmaceutical industry as opposed to McKesson and FDB's collusion.

13 265. Each of the RICO Defendants was made aware of the Scheme by McKesson and  
14 affirmatively joined and effectuated the Scheme by knowingly submitting false and inflated claims  
15 for Marked-Up Drugs to Plaintiff and members of the Class and by concealing the existence of the  
16 Scheme. The Scheme thus allowed the RICO Defendants to obtain payments on fraudulent  
17 prescription drug claims to Plaintiff and members of the Class.

18 266. The Enterprise functioned as a continuing unit as evidenced by the continuing  
19 coordination of activities between McKesson, First Data, and the RICO Defendants. There is a  
20 common communication network by which McKesson, First Data and the RICO Defendants  
21 shared and continued to share information on a regular basis for all times relevant to this lawsuit,  
22 including between August 1, 2001 through the present. Typically this communication occurred by  
23 use of the wires and mails in which McKesson and First Data discuss and agree on the new WAC-  
24 AWP mark-up for a given drug, and the RICO Defendants submit false claims to Plaintiff and the  
25 members of the Class for such drugs. McKesson, First Data and the RICO Defendants functioned  
26 as a continuing unit for the purposes of implementing and/or effectuating the Scheme. When  
27 issues arose during the Scheme each agreed to take actions to hide the Scheme and to continue its  
28 existence. Furthermore, but for the continued participation of the RICO Defendants in knowingly

1 submitting false claims to Plaintiff and members of the Class, the Scheme could not have continued  
2 to inflict billions of dollars of damages on End Payors.

3 **B. The RICO Defendants Associated with the Enterprise**

4 267. Along with First Data and McKesson, the RICO Defendants were willing  
5 participants in the Enterprise; each had a common purpose and interest in the continued operations  
6 and success of the Scheme as each knowingly submitted false insurance claims to Plaintiff and  
7 members of the Class for payment. They also agreed to the manner in which the Enterprise would  
8 be conducted, *i.e.*, through McKesson's transmission of increased mark-ups, First Data's  
9 publication of those mark-ups, and the RICO Defendants' fraudulent use of these mark-ups to  
10 obtain inflated payments from Plaintiff and members of the Class. This organizational structure  
11 was the basis on which the Enterprise operated.

12 268. At all relevant times, First Data and McKesson were generally aware of each others'  
13 conduct in furtherance of the Scheme, were knowing and willing participants in that conduct; and  
14 incurred benefits as a result. Similarly, the RICO Defendants were aware of their respective roles  
15 in the Scheme and the roles of First Data and McKesson. McKesson and First Data initiated the  
16 Scheme in 2001-2002 and, through the active participation of the RICO Defendants, the Scheme  
17 continued in force in 2003-2004.

18 269. As the creator of the Enterprise and the principal architect of the plan to defraud,  
19 McKesson was keenly aware of the existence of the Enterprise, its purpose and its activities.  
20 McKesson has acknowledged that it inflated its mark-ups, beginning in 2000, in order to inflate  
21 AWP's. McKesson also regularly discussed the Scheme with First Data and the RICO Defendants  
22 in wires, e-mails, and in telephone conversations and monitored its progress, including through  
23 weekly AWP comparison reports.

24 270. First Data was aware that McKesson's mark-ups were false and that its own  
25 published AWP's were inflated by the Scheme. This awareness comes from the following sources:  
26 First, McKesson informed First Data that it was artificially inflating the mark-ups to a uniform  
27 25%. Second, prior to the Scheme, First Data had in some instances obtained mark-ups from  
28

1 wholesalers, which made First Data aware, even in the absence of McKesson's direction  
 2 communication, about the artificial nature of McKesson's pricing information and the inaccuracy  
 3 of its reported AWP's. Third, as various governmental entities reported on AWP inflation, First  
 4 Data did not confirm the accuracy of the AWP's that First Data used. Fourth, First Data stopped  
 5 conducting even limited surveys of other wholesalers and simply accepted the Scheme, when it  
 6 knew there was no basis for the 5% mark-up. Fifth, First Data actually received letters from  
 7 certain manufacturers stating that the 5% increase in AWP was not justified.

8 271. Each of the RICO Defendants was made aware of the Scheme by McKesson  
 9 and/or First Data, some at times actively solicited McKesson's assistance in raising the AWP  
 10 markup, and all knowingly submitted false claims for payment for Marked-Up Drugs to  
 11 Plaintiff and members of the Class. A vital part of Plaintiff and other Class members'  
 12 businesses includes paying prescription drug claims. Accordingly, the RICO Defendants  
 13 participated in the conduct of the Scheme and the Enterprise alleged herein by causing Plaintiff  
 14 and members of the Class to make payments for false and fraudulent prescription drug claims.

15 272. This was also acknowledged in McKesson's internal mails, where McKesson's  
 16 executives discussed the positive impact of "normalizing" on McKesson's customers—i.e., retail  
 17 pharmacy chains like Defendants:

18 Here is an idea. Two years later, ***and having had some recent***  
 19 ***success in raising AWP's***, I think this could be presented to him  
 positively in this way.

20 Omnicare is looking for ..... say \$500,000 in benefit from year end  
 21 deals, even though this was not part of their contract. We need to ask  
 22 them to roll up ***or recalculate their reimbursements for last year***  
 23 ***based on the new AWP's with a 20% spread. And.....this is not just***  
***a one time benefit. They will receive this now and each year going***  
***forward until they renegotiate contracts with third parties (and***  
***hopefully do not give up this gift).***

24 **Our successes recently and during this past year includes raising**  
 25 **AWP spreads to 20% (markup of 25%) include Parke Davis**  
 26 **(division of Pfizer). Searle (division of Pharmacia).**  
 27 **GlaxoSmithKline (Glaxo was at 16 2/3%). AstraZeneca, TAP,**  
 28 **Berlex, JOM including Alza and Centocor, parts of Merck and BMS**  
 where things were mixed between 16 2/3% and 20%, and more to  
 come. **Some of our friends in retail that I have spoken with are**  
**pretty overwhelmed that we would be "driving" this process on**  
**their behalf.** Of course, we are not solely responsible for this

1 “normalizing” of AWP’s but we have done our part as I have  
 2 discusses with your previously. **I have had conversations with  
 Albertsons and Safeway and a few others.**

3 Remember, “McKesson is doing this to improve our efficiencies in  
 4 our BIS group.” With mixed AWP spreads, our BIS group is  
 5 required to make manual overrides (for every pricing activity) to  
 6 input the First Data Bank AWP whenever there is a difference from  
 7 our Suggested Sell or List Price. It could be stated as a benefit of the  
 8 Sixth Sigma method of identifying defects. An “unintended  
 consequence” is that the profitability of our customers will be  
 impacted in a appositive way. ***They will basically get 3 1/3% more  
 profit on Rx’s filled with this new AWP spread. (Just imagine what  
 this would mean on drugs like Lipitor or Prilosec....***<sup>187</sup>

9 273. McKesson also realized that it could “‘market’ [its] efforts” by informing customers  
 10 like the RICO Defendants that it was “doing everything possible to ‘raise’ AWP’s when  
 11 appropriate.”<sup>188</sup> McKesson appreciated that if it failed to inform its customers that it was behind  
 12 all these changes “it’s possible that some of these accounts will believe that this stuff just happens  
 13 and our efforts will go unrecognized.”<sup>189</sup> As one McKesson executive put it: “This sounds like  
 14 something we should at least [be] quietly communicating to our customers in order to get some  
 15 mileage from it[.]”<sup>190</sup> And so it began:

16 [To Dan Connolly of Bartell Drugs]: Celexa and Lexapro will have  
 17 an AWP markup of 25% or a spread of 20% as soon as FDB  
 18 information is updated. Look for the change to happen next week.  
 19 Keep smilin[g] . . . and who said we never listen to our customers  
 20 (and old friends).<sup>191</sup>

21 [To Dan Connolly]: Just wanted you to know that Clarinex AWP  
 22 spreads went to 20% this week. A few weeks ago Celxa went to  
 23 20% as well. Fat cat status is just around the corner.<sup>192</sup>

24 [To David Vucurevich of Rite Aid]: P.S. latest AWP changes . . .  
 25 Celexa and Clarinex, working on Lilly and Novo.<sup>193</sup>

26 <sup>187</sup> MCKAWP 0065895 (emphasis added).

27 <sup>188</sup> MCKAWP 0065895.

28 <sup>189</sup> MCKAWP 0065895.

<sup>190</sup> MCKAWP 0069732.

<sup>191</sup> MCKAWP 0069817.

<sup>192</sup> MCKAWP 0069901.

<sup>193</sup> MCKAWP 0069911.

1           274. A field agent reports: "Some of the more savvy stores like Med-X have taken  
2 notice."<sup>194</sup> Bob James realized that the goodwill McKesson established with the pharmacies as a  
3 result of inflating AWP's would give it a substantial edge over its competition:

4           In my discussions [with select customers like the RICO Defendants  
5 about McKesson's efforts to "normalize" the AWP markup at 25%],  
6 one of the comments that was made was "this would certainly be a  
7 good reason to renew our agreement with McKesson when its time."  
8 Talk about being good partners, wow! This is worth further  
discussion as we go forward. Maybe a proactive strategy like this  
will soften some of the activity around asking for lower costs and  
more benefit.<sup>195</sup>

9           275. Bob James proposed disclosing McKesson's efforts to customer Omnicare who  
10 purportedly was looking for an extra-contractual year-end bonus in the neighborhood of \$500,000:

11           Omnicare is looking for . . . . . say \$500,000 in benefit from year  
12 end deals, even though this was not part of their contract. We need  
13 to ask them to roll up or recalculate their reimbursements for last  
14 year based on the new AWP's with a 20% spread. And . . . . . this is  
**not just a one time benefit.** They will receive this now and for each  
year going forward until they renegotiate their contracts with third  
parties (and hopefully do not give up this gift).<sup>196</sup>

15           276. Bob James also noted with pleasure that Kay Morgan spoke "with Eric Sorkin at  
16 RiteAid to let him know how much effort we are putting into this AWP thing to get it right."<sup>197</sup>  
17 Other customers were also appreciative. For example an unnamed customer from Ohio, called  
18 McKesson "to say that he was looking at some of these items again and found that the spread  
19 appears to have increased significantly on most of these items to the area of 20-21%. He wondered  
20 if we had any part in doing this and, if so, he wanted to let us know that he really appreciated our  
21 efforts."<sup>198</sup> Med-X Corp.'s Director of Operations, Jerry Howard reviewed the numbers, put two  
22 and two together,<sup>199</sup> and "was very ex[c]ited about" McKesson "working on AWP expansion."<sup>200</sup>

23           <sup>194</sup> MCKAWP 0069732.

24           <sup>195</sup> MCKAWP 0065895.

25           <sup>196</sup> MCKAWP 0065895 (boldface, ellipses in original).

26           <sup>197</sup> MCKAWP 0069669.

27           <sup>198</sup> MCKAWP 0069513.

28           <sup>199</sup> MCKAWP 0069732.

<sup>200</sup> MCKAWP 0069726.

a. **Albertsons / New Albertsons / SuperValu / CVS**

277. A January 2002 e-mail from McKesson's Bob James discussed above at paragraph 270 states that: "Some of our friends in retail that I have spoken with are pretty overwhelmed that we would be 'driving' this process on their behalf. Of course, we are not solely responsible for this 'normalizing' of AWP's but we have done our part as I have discussed with you previously. *I have had conversations with Albertsons and Safeway and a few others.*" MCKAWP 0065895 (emphasis added).

278. Thus, Albertsons was aware of, and joined, the Scheme as early as January 2002. Upon being made aware of the Scheme, Albertsons expressed its appreciation to McKesson and begin to repeatedly submit fraudulent claims for payment to Plaintiff and members of the Class for Marked Up Drugs. But for Albertsons' knowing submission of these false claims, the Scheme could not have continued.

279. Similarly, a June 17, 2002 email from McKesson's Bob James to numerous McKesson employees regarding McKesson's Albertsons contract renewal states that:

I know that **Albertsons both recognizes and appreciates our efforts with the AWP situation. This has most likely had a very positive impact on their gross profits.** On their insurance based business this equates to lowering cost of goods about 3 1/3% on those items that previously had a 16 2/3% spread.....which previously had been about 80% of the Rx products. I am wondering if this can be leveraged in any way. Worst case, it should be no less than a tie-breaker if the situation gets to that point. MCKAWP 0084485 (emphasis added)

280. Thus, it is clear that McKesson and Albertsons discussed the Scheme on numerous occasions through the wires and mails and that Albertsons made a conscious decision to join the Scheme and continue to reap inflated and unjust profits from Plaintiff and members of the Class. Albertsons also participated in numerous instances of mail and wire fraud by repeatedly sending false claims for payment to Plaintiff and members of the Class.

281. Albertsons was even available to lobby industry participants in furtherance of the Scheme. As set forth in the email quoted at paragraph 196, McKesson wrote a manufacturer in

1 early 2004 about increasing mark ups: "if you have any doubts about what I am saying, please  
2 contact Scott Johnson at Albertson's...."

3 **b. Rite-Aid**

4 282. Rite Aid was McKesson's largest client and James and others were anxious to  
5 make sure Rite Aid understood what McKesson was doing for it.

6 283. As noted above, Rite-Aid also knew about and knowingly joined the Scheme by  
7 submitting false claims for inflated payments to Plaintiff and members of the Class. Indeed,  
8 these e-mails indicate that McKesson routinely communicated with Rite-Aid about Marked Up  
9 Drugs that had been affected by the Scheme and others that were targeted for inclusion in the  
10 Scheme.

11 284. Indeed, another e-mail between Bob James at McKesson and Kay Morgan at First  
12 Data indicates that Rite Aid encouraged McKesson to include certain drugs in the Scheme:

13 Rite Aid called this morning complaining about Diamox AWP. Just  
14 wondered if you had a chance to get to it yet?<sup>201</sup>

15 285. Like Albertsons, Rite-Aid was available to speak on behalf of the Scheme as  
16 evidenced by the same email quoted above at paragraph 196 in which McKesson wrote to a  
17 manufacturer to decline its request to set a mark-up at 20%. The e-mail suggests that the  
18 manufacturer also speak with either "Dave Vueurevich or Greg Drew at Rite-Aid" about the  
19 benefits of the Scheme for retail pharmacies like Defendants, indicating that both Rite-Aid  
20 employees were knowledgeable of the increased revenue Rite-Aid had realized from the Scheme.

21 286. In addition, internal McKesson documents discussed above at paragraphs 154 and  
22 165 provide additional evidence that Rite-Aid suggested certain drugs for the Scheme and also  
23 was asked by McKesson to increase mark-ups until FDB could "catch up."

24 287. The relationship between Rite-Aid and McKesson was so fruitful that in 2003  
25 Rite-Aid accounted for 8% of McKesson's entire annual revenue and Rite-Aid named McKesson  
26 its wholesaler of the year.

27  
28 <sup>201</sup> MCKAWP 0001168.

1           288. Thus, it is clear that McKesson and Rite-Aid discussed the Scheme on numerous  
2 occasions through the wires and mails and that Rite-Aid made a conscious decision to join the  
3 Scheme and continue to reap inflated and unjust profits from Plaintiff and members of the Class.  
4 Rite-Aid also participated in numerous instances of mail and wire fraud by targeting drugs for  
5 inclusion in the Scheme and repeatedly sending false claims for payment to Plaintiff and  
6 members of the Class.

7                   **c. Longs / CVS**

8           289. Like Albertsons and Rite-Aid, Longs was knowledgeable about, and available to  
9 speak on behalf of, the Scheme as evidenced by the same email quoted above at paragraph 196 in  
10 which McKesson wrote to a manufacturer to decline its request to set a mark-up at 20%. The e-  
11 mail suggests that the manufacturer also speak with "Frank Scorpiniti at Longs" about the  
12 benefits of the Scheme for retail pharmacies like Defendants, indicating that Longs was  
13 knowledgeable of the increased revenue Rite-Aid had realized from the Scheme.

14           290. Thus, it is clear that McKesson and Longs discussed the Scheme on numerous  
15 occasions through the wires and mails and that Rite-Aid made a conscious decision to join the  
16 Scheme and continue to reap inflated and unjust profits from Plaintiff and members of the Class.  
17 Longs also participated in numerous instances of mail and wire fraud by targeting repeatedly and  
18 knowingly sending false claims for payment to Plaintiff and members of the Class.

19                   **d. Wal-Mart**

20           291. Like Albertsons, Rite-Aid and Longs, Wal-Mart was knowledgeable about, and  
21 available to speak on behalf of, the Scheme as evidenced by the same email quoted above at  
22 paragraph 196 in which McKesson wrote to a manufacturer to decline its request to set a mark-up  
23 at 20%. The e-mail suggests that the manufacturer also speak with "Frank Seagraves at Wal  
24 Mart" about the benefits of the Scheme for retail pharmacies like Defendants, indicating that  
25 Wal-Mart was knowledgeable of the increased revenue Wal-Mart had realized from the Scheme.

26           292. Thus, it is clear that McKesson and Wal-Mart discussed the Scheme on numerous  
27 occasions through the wires and mails and that Wal-Mart made a conscious decision to join the  
28

1 Scheme and continue to reap inflated and unjust profits from Plaintiff and members of the Class.  
2 Wal-Mart also participated in numerous instances of mail and wire fraud by repeatedly and  
3 knowingly sending false claims for payment to Plaintiff and members of the Class.

4 **e. Safeway**

5 293. A January 2002 e-mail from McKesson's Bob James discussed above at paragraph  
6 270 states that: "Some of our friends in retail that I have spoken with are pretty overwhelmed  
7 that we would be 'driving' this process on their behalf. Of course, we are not solely responsible  
8 for this 'normalizing' of AWP's but we have done our part as I have discussed with you  
9 previously. *I have had conversations with Albertsons and Safeway and a few others.*"  
10 MCKAWP 0065895 (emphasis added).

11 294. Safeway was aware of, and joined, the Scheme as early as January 2002. Upon  
12 being made aware of the Scheme, Safeway expressed its appreciation to McKesson and begin to  
13 repeatedly submit fraudulent claims for payment to Plaintiff and members of the Class for  
14 Marked Up Drugs. But for Safeway's knowing submission of these false claims, the Scheme  
15 could not have continued.

16 295. Thus, it is clear that McKesson and Safeway discussed the Scheme on numerous  
17 occasions through the wires and mails and that Safeway made a conscious decision to join the  
18 Scheme and continue to reap inflated and unjust profits from Plaintiff and members of the Class.  
19 Safeway also participated in numerous instances of mail and wire fraud by targeting repeatedly  
20 and knowingly sending false claims for payment to Plaintiff and members of the Class.

21 296. The Scheme went to the point where FDB would query McKesson whether there  
22 had been a WAC increase so that a given drug could go to a 25% mark-up. Similarly, the RICO  
23 Defendants would also discuss drugs which should be "normalized" with McKesson and otherwise  
24 assist in the use of fraudulent mark-ups. Thus, McKesson, FDB and the RICO Defendants  
25 conspired to implement the Scheme.<sup>202</sup>

26  
27  
28 <sup>202</sup> MCKAWP 0069553.

297. The RICO Defendants were, during the relevant time period, claimants under prescription drug programs funded by Plaintiff and members of the Class. Thus, the RICO Defendants were also associated with Plaintiff as the enterprise because the RICO Defendants were each in a business relationship with Plaintiff and members of the Class to whom they knowingly presented a false claim for Marked Up Drugs. Moreover, each RICO Defendant operates pharmacies where Marked Up Drugs were sold and where fraudulent reimbursement requests for Marked Up Drugs originated or were generated.

**C. The Enterprise Affected Interstate Commerce**

298. The Enterprise affected interstate commerce because Plaintiff is engaged in the provision of services across State lines, and the Enterprise increased AWP, a nationally recognized benchmark for the purchase price of brand-name prescription drugs. Pharmacies like Defendants are reimbursed by health plans and other pharmacy benefit providers based on AWP. Under this system, a higher WAC-to-AWP spread results in increased profits to Defendants. Thus, McKesson, First Data and the RICO Defendants helped deliver greater profits to Defendants and pharmacies nationwide by conspiring to increase AWP and assisting in the implementation of the Scheme. These increased and unjust profits came directly out of the pockets of consumers and End Payors like Plaintiff and members of the Class.

299. In the underlying litigation on behalf of private payors, McKesson's expert, Joseph Kalt, admitted that "McKesson's higher SSPs ("suggested sales prices") led to higher AWP published by FDB."<sup>203</sup>

300. As discussed above, this was also acknowledged in McKesson's internal mails, where McKesson's executives discussed the positive impact of "normalizing" on McKesson's customers – the Defendants.

**D. The RICO Defendants Conducted and Participated in the Affairs of the Enterprise**

301. Along with McKesson and First Data, the RICO Defendants participated in the affairs of Enterprise and not just their own affairs. Without their efforts in repeatedly and

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<sup>203</sup> Report of Joseph Kalt (January 28, 2008) Report at 16.

1 knowingly submitting false claims for payment for Marked Up Drugs to Plaintiff and members of  
2 the Class, the Scheme would not have continued to succeed. The RICO Defendants, with full  
3 knowledge of the Scheme, conducted and participated in the affairs of the Enterprise by providing  
4 End Payors with inflated invoices and utilizing First Data's fraudulent data in settling drug  
5 reimbursements. The RICO Defendants also highlighted candidate suppliers/drugs to McKesson  
6 for inclusion in the Scheme and/or helped conceal the Scheme. Each of these actions was  
7 necessary to, or helpful in, the operation of the Enterprise to carry out its goal of disseminating  
8 false price information and causing Plaintiff and members of the Class to pay inflated prices to  
9 Defendants for affected drugs.

10 302. The RICO Defendants exerted control over the Enterprise, and, in violation of  
11 Section 1962(c) of RICO, the RICO Defendants have conducted or participated in the conduct of  
12 the affairs of the RICO enterprises, directly or indirectly, in the following ways:

13 a. McKesson and First Data had a degree of control concerning the WAC-to-  
14 AWP mark-up and the AWP's that First Data reported;

15 b. First Data directly controlled the creation and distribution of marketing,  
16 sales, and other materials used to inform End Payors as to the value of First Data's data and/or  
17 services;

18 c. First Data allowed McKesson to exert control over its organization, knowing  
19 that the AWP's were inflated as result of the Scheme and were not real numbers. McKesson  
20 controlled First Data by virtue of its ability to cause an increase in the WAC-AWP mark-up. First  
21 Data did so because the reporting of AWP's was, and is, a major part of its business, and McKesson  
22 was integral to First Data's AWP reporting and to increasing First Data's profits for the reasons set  
23 forth herein;

24 d. The RICO Defendants likewise had a degree of control concerning the  
25 WAC-to-AWP mark-up and the AWP's that First Data reported in that the RICO Defendants  
26 utilized First Data's AWP's in submitting claims for reimbursement for brand-name drugs to  
27 Plaintiff and members of the Class; and  
28

1 e. The RICO Defendants had direct knowledge of the Scheme and knowingly  
2 joined and effectuated the Scheme by submitting false and inflated claims for reimbursement to  
3 Plaintiff and members of the Class, thereby prolonging the Scheme and directly benefiting  
4 themselves at the expense of End Payors;

5 303. In addition, processing and paying prescription drug claims are vital parts of  
6 Plaintiff's business. By acting with the purpose to cause Plaintiff to make payments on false  
7 claims, the RICO Defendants participated in the operation of Plaintiff and the Enterprise.

8 304. The RICO Defendants directed Plaintiff's and the Enterprise's affairs by causing  
9 Plaintiff's employees having the authority to do so to direct that other employees make payments  
10 to the RICO Defendants that otherwise would not have been made. By continually submitting false  
11 claims to Plaintiff with knowledge of the Scheme, the RICO Defendants caused Plaintiff and its  
12 employees to approve false claims and conduct Plaintiff's business in a manner contrary to  
13 Plaintiff's business practices and caused Plaintiff to pay out large sums of money on false claims.

14 305. The Enterprise had a hierarchical decision-making structure headed by McKesson.  
15 McKesson issued instructions on how the WAC-to-AWP mark-up was to be reported and each  
16 Publisher accepted those instructions despite knowing of their falsity. Similarly, each RICO  
17 Defendant accepted and utilized the fraudulent mark-ups reported by the Publishers in obtaining  
18 inflated payments from Plaintiff and members of the Class despite knowing of their falsity.

19 **E. The Enterprise Engaged in a Pattern of Racketeering Activity, Consisting of Mail or**  
20 **Wire Fraud Violations**

21 306. The Scheme consisted of a pattern of uniformly raising mark-ups on roughly 400  
22 brand drugs to 25% carried out over a three-and-a-half-year period. The alteration of the mark-up  
23 for these drugs was carried out through the Enterprise. McKesson used its position to provide First  
24 Data with false mark-up information and to monitor First Data's progress in the dissemination of  
25 false prices, as well as to capitalize on the benefits of this Scheme by boasting to the RICO  
26 Defendants of its role in the AWP increases.

27 307. The nature and pervasiveness of the Scheme, which was orchestrated out of the  
28 corporate headquarters of McKesson, First Data and the RICO Defendants, necessarily required

1 those headquarters to communicate directly and frequently by the U.S. mails and by interstate wire  
2 facilities.

3 308. McKesson, First Data and the RICO Defendants' racketeering activities amounted  
4 to a common course of conduct, with similar pattern and purpose, intended to deceive Plaintiff and  
5 other End Payors for the financial benefit of, among others, the RICO Defendants. Each separate  
6 use of the U.S. mails and/or interstate wire facilities employed by the co-conspirators was related,  
7 had similar intended purposes, involved similar participants and methods of execution, and had the  
8 same results affecting the same victims, including Plaintiff. McKesson, First Data and the RICO  
9 Defendants have each engaged in the pattern of racketeering activity for the purpose of conducting  
10 the ongoing business affairs of the Enterprise.

11 309. McKesson, First Data, and the RICO Defendants conducted and participated in the  
12 affairs of the Enterprise through a pattern of racketeering activity, including acts that are indictable  
13 under 18 U.S.C. § 1341, relating to mail fraud, and 18 U.S.C. § 1343, relating to wire fraud. This  
14 pattern of racketeering likely involved thousands of separate instances of use of the U.S. mails or  
15 interstate wire facilities in furtherance of their Scheme. Each of these fraudulent mailings and  
16 interstate wire transmissions constitutes a "racketeering activity" within the meaning of 18 U.S.C.  
17 § 1961(1)(B). Collectively, these violations constitute a "pattern of racketeering activity," within  
18 the meaning of 18 U.S.C. § 1961(5), in which McKesson, First Data and the RICO Defendants  
19 intended to defraud Plaintiff and other intended victims.

20 310. Many of the precise dates of the RICO Defendants' uses of the U.S. mails and  
21 interstate wire facilities (and corresponding RICO predicate acts of mail and wire fraud) have been  
22 hidden and cannot be alleged without access to their books and records. Indeed, an essential part  
23 of the successful operation of the Scheme alleged herein depended upon secrecy, however, Plaintiff  
24 can generally describe the occasions on which the RICO predicate acts of mail fraud and wire fraud  
25 occurred, and how those acts were in furtherance of the Scheme. Plaintiff describes this as follows:  
26  
27  
28

1           **1.     The Enterprise Engaged in a Scheme to Defraud End Payors**

2           311.   The RICO Defendants' pattern of racketeering activity includes acts indictable as  
3   mail fraud under 18 U.S.C. § 1341 and wire fraud under 18 U.S.C. § 1343. The RICO Defendants'  
4   fraudulent Scheme consisted of, *inter alia*: the intentional filing of false reimbursement claims in  
5   order to obtain payments from Plaintiff and members of the Class for Marked Up Drugs.

6           **2.     The RICO Defendants Specifically Intended to Defraud End Payors**

7           312.   McKesson's own documents, as well as the testimony of its officers, reveal that it  
8   intended to defraud End Payors by raising AWP's; that it maintained the inflated mark-ups in its  
9   system for this purpose; and that it worked closely with First Data to increase brand AWP's over  
10   time. By contrast, McKesson's competitors, ABC and Cardinal, refused to change the  
11   manufacturers' historic mark-ups even though they were pressured by retailers to do so, and even  
12   refused to take part in any First Data survey out of concern that they might be perceived as setting  
13   AWP's.

14          313.   Similarly, documents cited herein reveal that the RICO Defendants were made  
15   aware of the Scheme and knowingly joined it by intentionally filing false and inflated claims for  
16   payment for Marked Up Drugs with Plaintiff and members of the Class.

17           **3.     The Enterprise Made Use of the U.S. Mails and Interstate Communications in**  
18           **Furtherance of the Scheme**

19          314.   McKesson, First DataBank, and the RICO Defendants' use of the U.S. mails and  
20   interstate wire facilities to perpetrate the Scheme involved thousands of communications  
21   throughout the time period including August 1, 2001 through the present, including, *inter alia*:

22               a.     Marketing materials about First Data's services, which First Data, sent to  
23   health care providers located across the country;

24               b.     Written representations and telephone calls between McKesson, First Data  
25   and the RICO Defendants regarding mark-ups and AWP's, which occurred on a regular basis each  
26   year;

1           c.       Hundreds of e-mails between McKesson and First Data agreeing to, or  
2       effectuating the implementation of, the Scheme. These e-mails included, but are not limited to, the  
3       e-mails identified earlier in this Complaint;

4           d.       Written and oral communications directed to U.S. Government agencies and  
5       members of the Class that fraudulently misrepresented what the AWP's were, or that were intended  
6       to deter investigations into the true nature of the AWP's or to forestall changes to reimbursement  
7       based on something other than AWP's;

8           e.       Receipts of increased profits – the wrongful proceeds of the Scheme – sent  
9       through the U.S. mails and interstate wire facilities; and

10          f.       In addition to the above-referenced RICO predicate acts, it was foreseeable  
11       to McKesson and the RICO Defendants that First Data would distribute publications containing  
12       false AWP's through the U.S. mails and by interstate wire facilities. Further, McKesson has, in  
13       furtherance of the Scheme, communicated through use of the U.S. mails and by interstate wire  
14       facilities with their various local headquarters or divisions. These uses of the U.S. mails include  
15       some of the documents referenced in this Complaint

16           315.   Furthermore, it was reasonably foreseeable to each RICO Defendant that it or  
17       Plaintiff and members of the Class would use the mails or wires in connection with each of the  
18       fraudulent claims, or that Plaintiff would use the mails or wires to send payments to the RICO  
19       Defendants. All of these uses of the mails and/or wires were in furtherance of the RICO  
20       Defendants' fraudulent scheme.

21           316.   These communications by U.S. mail or wire were made for the purpose of carrying  
22       out the Scheme or hiding it from Plaintiffs and other End Payors. The Enterprise exchanged scores  
23       of e-mails and numerous telephone calls, in which the co-conspirators discussed their plan to  
24       "normalize" AWP's at 25%, as well as communications targeting individual manufacturers, PBMs  
25       and other members of the pharmaceutical industry with false information intended to hide the  
26       Scheme. Additionally, McKesson communicated by e-mail and telephone many times with the  
27       RICO Defendants to brag about the effects of the Scheme. McKesson also used e-mail to caution  
28       its employees about discussing the Scheme. First Data made false statements in numerous

1 individual e-mails and telephone communications and in public statements on its website about its  
2 process of determining AWP. First Data also used e-mail to caution McKesson against raising  
3 AWP unless the manufacturer announced a price change.

4 **F. Plaintiff and the Class Relied on the Accuracy of the Falsely Inflated AWP Published**  
5 **by First Data or Medi-Span and Knowingly Used by the RICO Defendants to Obtain**  
6 **Inflated Payments**

7 317. In implementing the fraudulent Scheme, McKesson was acutely aware that  
8 Plaintiffs and other End Payors relied on the AWP published by First Data and Medi-Span as a  
9 pricing benchmark.

10 318. The AWP-based reimbursement benchmark for payments in the retail class of  
11 pharmaceutical trade has long been acknowledged. The two largest public purchaser programs for  
12 prescription pharmaceuticals – Medicaid and Medicare – historically relied upon published average  
13 wholesale prices as the fundamental basis upon which to reimburse for branded drug ingredient  
14 costs incurred by dispensers (retail pharmacies for Medicaid, and medical providers in the  
15 Medicare arena). Those paying for drugs, by statute or contract, rely on and use the published  
16 AWP.

17 319. At all times relevant to this lawsuit First Data, McKesson and the RICO Defendants  
18 knew that End Payors such as Plaintiff and members of the Class utilize AWP as a pricing  
19 benchmark. McKesson was not only aware that First Data was the premier industry source for  
20 AWP information but also that First Data supplied its pricing information to Medi-Span, thus, as  
21 McKesson acknowledged, “[t]his means that Medi-Span data is the First DataBank data.”  
22 McKesson engaged in a fraudulent scheme with First Data, knowing that First Data was in the best  
23 position to cause industry-wide changes to the AWP and that First Data’s purported method of  
24 calculating AWP would both appear to legitimize the increases and keep McKesson’s pivotal role  
25 in the Scheme a secret.

26 320. Once McKesson and First Data raised the WAC-to-AWP mark-up to 25% on a  
27 given drug that mark-up remained in place and still remains in place to this day and thus continues  
28 to injure those entities such as Plaintiffs that rely on AWP as a pricing standard. Similarly, as a

1 direct result of the RICO Defendants' ongoing succession of fraudulent claims during the Class  
2 Period, Plaintiff and members of the Class suffered direct injury from the RICO Defendants'  
3 pattern of racketeering activity.

4 **G. Damages Caused by the RICO Defendants' Scheme**

5 321. Plaintiff and the Class have been injured in their business and property by reason of  
6 the RICO Defendants' violations in that they have made hundreds of millions of dollars and  
7 perhaps billions in overpayments they would not have made had the RICO Defendants not engaged  
8 in its pattern of racketeering activity. The RICO Defendants' violations of federal law and their  
9 pattern of racketeering activity have directly and proximately injured Plaintiff because it has paid  
10 thousands of dollars in inflated reimbursements or other payments for drugs whose AWP was  
11 artificially raised as described herein.

12 322. The RICO Defendants and their co-conspirators McKesson and First Data sent false  
13 AWP information through the U.S. mails or by interstate wire facilities and reported AWP's and  
14 other information by the same methods in furtherance of their Scheme.

15 323. The RICO Defendants' affirmative acts of fraud through the intentional filing of  
16 false claims as part of the Scheme directly caused Plaintiff and members of the Class to make  
17 inflated payments for affected drugs.

18 324. Under the provisions of Section 1964(c) of RICO, the RICO Defendants are jointly  
19 and severally liable to Plaintiff for three times the damages that Plaintiff has sustained, plus the  
20 costs of bringing this suit, including reasonable attorneys' fees.

21 **H. The RICO Defendants Knew of and Adopted the Illegal Purpose of the Enterprise**

22 325. That the RICO Defendants knew of and adopted the illegal purpose of the  
23 Enterprise is evident from McKesson's own documents and the testimony of its officers.  
24 McKesson's internal communications speak of an express illegal agreement between McKesson  
25 and First Data to raise mark-ups on all new drugs as well as other subject drugs. These documents  
26 also reveal that McKesson frankly disclosed to First Data its plan to standardize mark-ups for  
27 brand drugs and that it worked closely together with First Data to implement this plan, supporting  
28

1 an inference of an implicit agreement to create a uniform mark-up for all brand drugs. McKesson's  
2 officers have also testified that McKesson artificially raised the mark-ups on its suggested retail  
3 prices and provided these false numbers to First DataBank.

4 326. Similarly, McKesson's documents also reveal that McKesson frankly disclosed to  
5 the RICO Defendants the Scheme and that the RICO Defendants encouraged and facilitated the  
6 Scheme through the actions alleged above, including but not limited to the intentional and  
7 successive submission of false claims to Plaintiff and members of the Class throughout the Class  
8 Period.

9 327. Additionally, McKesson's conduct in sending e-mails and other communications to  
10 FDB to direct the normalization plan, FDB's conduct in publishing AWP's inflated by the uniform  
11 25% mark-up and in sending communications acknowledging that its raised AWP's on some of the  
12 NDCs and had yet to make additional changes to NDCs to be consistent with the overall Scheme,  
13 as well as e-mails from McKesson to the RICO Defendants bragging about its ability to work with  
14 FDB to carry out the normalization plan and is consistent with the existence of an agreement to  
15 carry out the Scheme.

16 **I. The RICO Defendants Knowingly Joined the Conspiracy to Participate in the**  
17 **Conduct of the Affairs of the Enterprise and Did in Fact Participate in the Enterprise**  
18 **By Repeatedly Submitting False Claims to End Payors**

19 328. As alleged above, the RICO Defendants were made aware of the Scheme by  
20 McKesson and knowingly joined the conspiracy to participate in the conduct of the affairs of the  
21 Enterprise, including Plaintiff's business, for the purpose of defrauding End Payors like Plaintiff  
22 and members of the Class.

23 329. The RICO Defendants, among other actions, agreed with McKesson to participate in  
24 the conspiracy by submitting false claims for Marked Up Drugs to End Payors. The RICO  
25 Defendants also agreed with McKesson that numerous predicate offenses be committed by  
26 McKesson and First Data in furtherance of the Scheme as the RICO Defendants knew that  
27 McKesson and First Data were engaged in the fraudulent inflation of AWP's as described herein  
28

1 and continued to submit false claims based on this fraudulent data to End Payors for the RICO  
2 Defendants' direct benefit.

3 **J. Damages Caused by the RICO Defendants' Scheme**

4 330. Plaintiff and the Class have been injured in their business and property by reason of  
5 the RICO Defendants' violations in that they have made hundreds of millions of dollars in  
6 overpayments they would not have made had the RICO Defendants not engaged in their pattern of  
7 racketeering activity and conspiracy. The Scheme injured all end payors by virtue of raising the  
8 pricing benchmark.

9 **K. The RICO Defendants are Jointly and Severally Liable for the Conduct of the**  
10 **Enterprise**

11 331. As co-conspirators, the RICO Defendants are jointly and severally liable for all  
12 damage that occurred as a result of both their actions and those of McKesson and First Data in  
13 furtherance of the conspiracy to raise AWP's and submit false claims to Plaintiff and members of  
14 the Class.

15 332. Under the provisions of Section 1964(c) of RICO, the RICO Defendants are jointly  
16 and severally liable to Plaintiff for three times the damages that Plaintiff has sustained, plus the  
17 costs of bringing this suit, including reasonable attorneys' fees.

18 **COUNT II**  
19 **RICO CONSPIRACY**  
**(18 U.S.C. § 1962(D))**

20 **(On Behalf of Plaintiff and the RICO Class**  
21 **Against the RICO Defendants)**

22 333. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth  
23 herein and further alleges as follows.

24 334. The RICO Defendants violated 18 USC § 1962(d) by conspiring to associate with a  
25 racketeering enterprise, in violation of 18 U.S.C. § 1962(c). The RICO Defendants knowingly  
26 joined McKesson and First Data in a conspiracy to manipulate AWP's in violation of § 1962(c).  
27  
28

**COUNT III**  
**UNJUST ENRICHMENT / MONEY HAD AND RECEIVED**  
**(On Behalf of Plaintiff and the Class Against all Defendants)**

335. Plaintiff, on behalf of itself and all others similarly situated, realleges and incorporates herein by reference each of the allegations contained in the preceding paragraphs of this Complaint.

336. This claim is asserted by Plaintiff on behalf of itself and all others similarly situated against all Defendants under the common law of unjust enrichment / money had and received in the fifty States and Territories.

337. As a direct result of the wrongdoing and Scheme set forth in this Complaint, Defendants have profited and benefited from overpayments Plaintiff and Class Members made at their expense for Marked Up Drugs.

338. At the time they made these overpayments, Plaintiff and the other members of the Class expected that the listed prices for branded prescription drugs were accurate and not falsely inflated.

339. Defendants have voluntarily accepted and retained these overpayments to which they were not entitled directly from Plaintiff and members of the Class with the result that Plaintiff and the other members of the Class paid more for branded prescription drugs than they would have absent the wrongful conduct. Even if a particular Defendant was not aware of the Scheme, each Defendant knowingly received, accepted, appreciated and retained a benefit directly from Plaintiff and members of the Class under circumstances where it would be inequitable for the Defendant to retain the benefit without paying the value thereof to Plaintiff and members of the Class.

340. By the improper and wrongful conduct described herein, Defendants were unjustly enriched at the expense and impoverishment of Plaintiff and the other members of the Class.

341. It would be inequitable and not in good conscience for Defendants to retain the inflated profits, benefits, and other compensation they obtained as a result of the Scheme and/or mistake and/or fraud and/or deception to the detriment of Plaintiff and members of the Class. Plaintiff and members of the Class overpaid Defendants for Marked Up Drugs under a mistake of

1 fact or a misreliance on a right or duty in that they properly and reasonably relied upon First Data's  
2 representations regarding the accuracy of AWP's and thus the accuracy of the claims submitted by  
3 Defendants. This reasonable reliance resulted in detriment to Plaintiff and members of the Class.

4 342. Furthermore, the RICO Defendants unjustly received benefits from Plaintiff and  
5 members of the Class through the fraudulent and unconscionable intentional conduct alleged  
6 herein.

7 343. There is no justification for Defendants' unjust enrichment as they have received a  
8 windfall in the form of overpayments, and Plaintiff and members of the Class have no other  
9 remedy at law.

10 344. Plaintiff and members of the Class did not unjustly enrich Defendants officiously or  
11 gratuitously.

12 345. There is a direct causal relationship between Defendants' unjust enrichment and the  
13 impoverishment of Plaintiff and members of the Class.

14 346. Plaintiff and the other members of the Class are entitled in equity to seek restitution  
15 of Defendants' unjust profits, revenues and benefits to the extent, and in the amount, deemed  
16 appropriate by the finder of fact; and such other relief as the Court deems just and proper to remedy  
17 Defendants' unjust enrichment.

18 347. There is no equitable basis for Defendants to retain the overpayments made by  
19 Plaintiff and the Class for Marked Up Drugs.

20 348. At the appropriate time, Plaintiff will articulate the proper approach for certification  
21 of the above claims. This may include the use of a common jury instruction or the grouping of  
22 State laws as set forth in *In re Pharm. Ind. Avg. Wholesale Price Litig.*, 252 F.R.D. 83 (D. Mass.  
23 2008) (Saris, J.)

#### 24 PRAYER FOR RELIEF

25 WHEREFORE, Plaintiff, on behalf of itself and the other members of the Class,  
26 respectfully prays:  
27  
28

1           A.     that the Court determine that this action may be maintained as a class action  
2 pursuant to Rule 23 of the Federal Rules of Civil Procedure, and direct that reasonable notice of  
3 this action be given to the Classes;

4           B.     that the acts alleged herein be adjudged and decreed to be unlawful in violation of  
5 the federal racketeering laws and State common law;

6           C.     that Plaintiff and the Classes recover three-fold the damages determined to have  
7 been sustained by them pursuant to 18 U.S.C. § 1964(c)-(d) and all measures of damages allowable  
8 under the claims identified herein and the common law, and that judgment be entered against  
9 Defendants in favor of the Classes;

10          D.     that Plaintiff and the Classes recover the costs and expenses of suit, pre- and post-  
11 judgment interest, and reasonable attorney fees as provided by law;

12          E.     that the RICO Defendants be enjoined from continuing or resuming their unlawful  
13 acts discussed above;

14          F.     that Defendants be ordered to pay restitution to Plaintiff and the Classes;

15          G.     that Plaintiff and the Classes be granted such other, further relief as may be  
16 determined to be just, equitable and proper by this Court, including but not limited to punitive  
17 damages; and that the Court order such other and further relief as the Court deems just, necessary  
18 and appropriate.

19  
20 Dated: June 5, 2009,

Respectfully submitted,

21  
22 By: 

23           Jeff D. Friedman (173886)  
24           Shana E. Scarlett (217895)  
25           HAGENS BERMAN SOBOL SHAPIRO LLP  
26           715 Hearst Avenue, Suite 202  
27           Berkeley, CA 94710  
28           Telephone: (510) 725-3000  
            Facsimile: (510) 725-3001  
            jefff@hbsslaw.com  
            shanas@hbsslaw.com

1 Steve W. Berman  
2 Sean R. Matt  
3 Barbara Mahoney  
4 HAGENS BERMAN SOBOL SHAPIRO LLP  
5 1301 Fifth Avenue, Suite 2900  
6 Seattle, WA 98101  
7 Telephone: (206) 623-7292  
8 Facsimile: (206) 623-0594  
9 E-mail: [steve@hbsslaw.com](mailto:steve@hbsslaw.com)

10 Walker Percy Badham III  
11 Brannon J. Buck  
12 BADHAM & BUCK LLC  
13 2585 Wachovia Tower,  
14 420 20th Street North  
15 Birmingham, AL 35203-5200  
16 Telephone: (205) 521-0036  
17 Facsimile: (205) 521-0037

18 James L. Ward, Jr.  
19 RICHARDSON, PATRICK, WESTBROOK  
20 & BRICKMAN, LLC  
21 P.O. Box 1007  
22 Mt. Pleasant, SC 29465  
23 Telephone: (843) 727-6682  
24 Facsimile: (843) 727-6689

25 R. Bryant McCulley  
26 MCCULLEY MCCLUER PLLC  
27 One Independent Drive, Suite 3201  
28 Jacksonville, FL 32202  
Telephone: (904) 482-4073  
Facsimile: (904) 354-4813

Stuart H. McCluer  
MCCULLEY MCCLUER PLLC  
1109 Van Buren Avenue  
Oxford, MS 38655  
Telephone: (662) 236-1401  
Facsimile: (662) 234-1974

Larry W. Morris  
Randall Stark Haynes  
MORRIS, HAYNES & HORNSBY  
131 Main Street  
P.O. Box 1660  
Alexander City, AL 35011  
Telephone: (256) 329-2000  
Facsimile: (256) 329-2015

***Attorneys for Plaintiff and the Proposed  
Classes***

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
MEDICIS DERMATOLOGICS INC	98207001960	A/T/S 2% TOPICAL SOLUTION
ASTRAZENECA LP	00310040160	ACCOLATE 10 MG TABLET
ASTRAZENECA LP	00310040239	ACCOLATE 20 MG TABLET
ASTRAZENECA LP	00310040280	ACCOLATE 20 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071053023	ACCUPRIL 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071053040	ACCUPRIL 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071053223	ACCUPRIL 20 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071053240	ACCUPRIL 20 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071053523	ACCUPRIL 40 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071052723	ACCUPRIL 5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071052740	ACCUPRIL 5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071022206	ACCURETIC 10-12.5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071022006	ACCURETIC 20-12.5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071022306	ACCURETIC 20-25 MG TABLET
JOHNSON & JOHNSON GROUP	62856024330	ACIPHEX 20 MG TABLET EC
JOHNSON & JOHNSON GROUP	62856024341	ACIPHEX 20 MG TABLET EC
JOHNSON & JOHNSON GROUP	62856024390	ACIPHEX 20 MG TABLET EC
WATSON LABORATORIES INC	52544063001	ACTIGALL 300 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149047001	ACTONEL 30 MG TABLET
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149047101	ACTONEL 5 MG TABLET
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149047103	ACTONEL 5 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764015104	ACTOS 15 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764015105	ACTOS 15 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764015106	ACTOS 15 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764030114	ACTOS 30 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764030115	ACTOS 30 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764030116	ACTOS 30 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764045124	ACTOS 45 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764045125	ACTOS 45 MG TABLET
TAKEDA PHARMACEUTICALS NORTH AMERICA INC	64764045126	ACTOS 45 MG TABLET
SHIRE US INC	54082038301	ADDERALL XR 10 MG CAPSULE SA
SHIRE US INC	54082038701	ADDERALL XR 20 MG CAPSULE SA
SHIRE US INC	54082039101	ADDERALL XR 30 MG CAPSULE SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069500	ADVAIR 100/50 DISKUS
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069502	ADVAIR 100/50 DISKUS
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069600	ADVAIR 250/50 DISKUS
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069602	ADVAIR 250/50 DISKUS
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069700	ADVAIR 500/50 DISKUS
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069702	ADVAIR 500/50 DISKUS
KOS PHARMACEUTICALS INC	60598000890	ADVICOR 1,000 MG/20 MG TABLET
KOS PHARMACEUTICALS INC	60598000890	ADVICOR 500 MG/20 MG TABLET
FOREST PHARMACEUTICALS INC	00456067299	AEROBID AEROSOL W/ADAPTER
FOREST PHARMACEUTICALS INC	00456067099	AEROBID-M AEROSOL W/ADAPTER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068700	AGENERASE 15 MG/ML ORAL SOLN
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173067200	AGENERASE 160 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173067900	AGENERASE 50 MG CAPSULE
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597000160	AGGRENOX CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025101131	ALDACTAZIDE 25/25 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025101155	ALDACTAZIDE 25/25 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025102131	ALDACTAZIDE 50/50 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025103131	ALDACTONE 100 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025103134	ALDACTONE 100 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025100131	ALDACTONE 25 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025100151	ALDACTONE 25 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025100155	ALDACTONE 25 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025104131	ALDACTONE 50 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025104134	ALDACTONE 50 MG TABLET
3M PHARMACEUTICALS	00089061012	ALDARA 5% CREAM
ZYBER PHARMACEUTICAL INC	65224065001	ALDEX TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	59572030250	ALKERAN 2 MG TABLET
MERRELL PHARMACEUTICALS INC	00088110947	ALLEGRA 180 MG TABLET
MERRELL PHARMACEUTICALS INC	00088110647	ALLEGRA 30 MG TABLET
MERRELL PHARMACEUTICALS INC	00088110747	ALLEGRA 60 MG TABLET
MERRELL PHARMACEUTICALS INC	00088109047	ALLEGRA-D TABLET SA
MERRELL PHARMACEUTICALS INC	00088109049	ALLEGRA-D TABLET SA
MERRELL PHARMACEUTICALS INC	00088109055	ALLEGRA-D TABLET SA
MCR AMERICAN PHARMACEUTICALS INC	58605051301	ALLFEN 1,000 MG TABLET SA
MCR AMERICAN PHARMACEUTICALS INC	58605052101	ALLFEN-DM TABLET SA
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597007017	ALUPENT 650 MCG INHALER COMP
MERRELL PHARMACEUTICALS INC	00039022110	AMARYL 1 MG TABLET
MERRELL PHARMACEUTICALS INC	00039022210	AMARYL 2 MG TABLET
MERRELL PHARMACEUTICALS INC	00039022211	AMARYL 2 MG TABLET
MERRELL PHARMACEUTICALS INC	00039022310	AMARYL 4 MG TABLET
MERRELL PHARMACEUTICALS INC	00039022311	AMARYL 4 MG TABLET
SANOFI SYNTHELABO INC	00024542131	AMBIEN 10 MG TABLET
SANOFI SYNTHELABO INC	00024542134	AMBIEN 10 MG TABLET
SANOFI SYNTHELABO INC	00024540131	AMBIEN 5 MG TABLET
SANOFI SYNTHELABO INC	00024540134	AMBIEN 5 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173056100	AMERGE 1 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173056200	AMERGE 2.5 MG TABLET
FERNDAL LABORATORIES INC	00496077804	ANALPRAM-HC 1% CREAM
FERNDAL LABORATORIES INC	00496080004	ANALPRAM-HC 2.5% CREAM
FERNDAL LABORATORIES INC	00496082804	ANALPRAM-HC 2.5% LOTION
HOFFMANN LA ROCHE INC	00004620201	ANAPROX 275 MG TABLET
SANOFI SYNTHELABO INC	00024008401	ARALEN PHOSPHATE 500 MG TAB
MERRELL PHARMACEUTICALS INC	00088216030	ARAVA 10 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
MERRELL PHARMACEUTICALS INC	00088216130	ARAVA 20 MG TABLET
ASTRAZENECA LP	00310020130	ARIMIDEX 1 MG TABLET
FOREST PHARMACEUTICALS INC	00456046100	ARMOUR THYROID 120 MG TABLET
FOREST PHARMACEUTICALS INC	00456046101	ARMOUR THYROID 120 MG TABLET
FOREST PHARMACEUTICALS INC	00456046163	ARMOUR THYROID 120 MG TABLET
FOREST PHARMACEUTICALS INC	00456045701	ARMOUR THYROID 15 MG TABLET
FOREST PHARMACEUTICALS INC	00456046200	ARMOUR THYROID 180 MG TABLET
FOREST PHARMACEUTICALS INC	00456046201	ARMOUR THYROID 180 MG TABLET
FOREST PHARMACEUTICALS INC	00456046301	ARMOUR THYROID 240 MG TABLET
FOREST PHARMACEUTICALS INC	00456045800	ARMOUR THYROID 30 MG TABLET
FOREST PHARMACEUTICALS INC	00456045801	ARMOUR THYROID 30 MG TABLET
FOREST PHARMACEUTICALS INC	00456045863	ARMOUR THYROID 30 MG TABLET
FOREST PHARMACEUTICALS INC	00456046401	ARMOUR THYROID 300 MG TABLET
FOREST PHARMACEUTICALS INC	00456045900	ARMOUR THYROID 60 MG TABLET
FOREST PHARMACEUTICALS INC	00456045901	ARMOUR THYROID 60 MG TABLET
FOREST PHARMACEUTICALS INC	00456045951	ARMOUR THYROID 60 MG TABLET
FOREST PHARMACEUTICALS INC	00456045963	ARMOUR THYROID 60 MG TABLET
FOREST PHARMACEUTICALS INC	00456046001	ARMOUR THYROID 90 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025141134	ARTHROTEC 50 TABLET EC
PFIZER LABORATORIES DIV PFIZER INC	00025141160	ARTHROTEC 50 TABLET EC
PFIZER LABORATORIES DIV PFIZER INC	00025141190	ARTHROTEC 50 TABLET EC
PFIZER LABORATORIES DIV PFIZER INC	00025142134	ARTHROTEC 75 TABLET EC
PFIZER LABORATORIES DIV PFIZER INC	00025142160	ARTHROTEC 75 TABLET EC
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149075202	ASACOL 400 MG TABLET EC
ASTRAZENECA LP	00186001628	ATACAND 16 MG TABLET
ASTRAZENECA LP	00186001631	ATACAND 16 MG TABLET
ASTRAZENECA LP	00186001654	ATACAND 16 MG TABLET
ASTRAZENECA LP	00186003228	ATACAND 32 MG TABLET
ASTRAZENECA LP	00186003231	ATACAND 32 MG TABLET
ASTRAZENECA LP	00186003254	ATACAND 32 MG TABLET
ASTRAZENECA LP	00186000431	ATACAND 4 MG TABLET
ASTRAZENECA LP	00186000831	ATACAND 6 MG TABLET
ASTRAZENECA LP	00186016228	ATACAND HCT 16/12.5 MG TAB
ASTRAZENECA LP	00186016254	ATACAND HCT 16/12.5 MG TAB
ASTRAZENECA LP	00186032228	ATACAND HCT 32/12.5 MG TAB
ASTRAZENECA LP	00186032254	ATACAND HCT 32/12.5 MG TAB
PFIZER LABORATORIES DIV PFIZER INC	00049559093	ATARAX 10 MG/5 ML SYRUP
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597008062	ATROVENT 0.02% SOLUTION
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597008130	ATROVENT 0.03% SPRAY
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597008676	ATROVENT 0.06% SPRAY
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597008214	ATROVENT INHALER
BRISTOL MYERS SQUIBB CO	00087277531	AVALIDE 150-12.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277532	AVALIDE 150-12.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277631	AVALIDE 300-12.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277632	AVALIDE 300-12.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277215	AVAPRO 150 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277231	AVAPRO 150 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277232	AVAPRO 150 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277235	AVAPRO 150 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277315	AVAPRO 300 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277331	AVAPRO 300 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277332	AVAPRO 300 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277131	AVAPRO 75 MG TABLET
BRISTOL MYERS SQUIBB CO	00087277132	AVAPRO 75 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00062208506	AXERT 12.5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00062208006	AXERT 6.25 MG TABLET
MERRELL PHARMACEUTICALS INC	00075006037	AZMACORT INHALER
WOMEN FIRST HEALTHCARE INC	64248000410	BACTRIM 400-80 MG TABLET
WOMEN FIRST HEALTHCARE INC	64248011710	BACTRIM DS TABLET
FOREST PHARMACEUTICALS INC	00456060101	BANCAP HC CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173033602	BECONASE 42 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173046800	BECONASE 42 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173038879	BECONASE AQ 0.042% SPRAY
AXCAN SCANDIPHARM INC	00068012081	BENTYL 10 MG CAPSULE
AXCAN SCANDIPHARM INC	00068012516	BENTYL 10 MG/5 ML SYRUP
AXCAN SCANDIPHARM INC	00068012361	BENTYL 20 MG TABLET
MERRELL PHARMACEUTICALS INC	00068049425	BENZAFLIN GEL
ABBOTT LABORATORIES	00074336811	BIAXIN 250 MG TABLET
ABBOTT LABORATORIES	00074258611	BIAXIN 500 MG TABLET
JOHNSON & JOHNSON GROUP	17314933001	BICITRA SOLUTION
AAIPHARMA LLC	00028007201	BRETHINE 2.5 MG TABLET
AAIPHARMA LLC	00028007210	BRETHINE 2.5 MG TABLET
AAIPHARMA LLC	00028010501	BRETHINE 5 MG TABLET
AAIPHARMA LLC	00028010510	BRETHINE 5 MG TABLET
SANOFI SYNTHELABO INC	00024028016	BRONCHOLATE SYRUP
HOFFMANN LA ROCHE INC	00004012501	BUMEX 0.5 MG TABLET
HOFFMANN LA ROCHE INC	00004012511	BUMEX 0.5 MG TABLET
HOFFMANN LA ROCHE INC	00004012101	BUMEX 1 MG TABLET
HOFFMANN LA ROCHE INC	00004012111	BUMEX 1 MG TABLET
HOFFMANN LA ROCHE INC	00004012114	BUMEX 1 MG TABLET
HOFFMANN LA ROCHE INC	00004016201	BUMEX 2 MG TABLET
HOFFMANN LA ROCHE INC	00004016211	BUMEX 2 MG TABLET
RECKITT BENCKISER HEALTHCARE UK LIMITED	12496075701	BUPRENEX 0.3 MG/ML AMPUL
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00087611142	CAFCIT 20 MG/ML ORAL SOLN
NOVARTIS PHARMACEUTICALS CORP	00078003302	CAFERGOT SUPPOSITORY
PFIZER LABORATORIES DIV PFIZER INC	00025186131	CALAN 120 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
PFIZER LABORATORIES DIV PFIZER INC	00025186152	CALAN 120 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025177131	CALAN 40 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025185131	CALAN 80 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025185151	CALAN 80 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025185152	CALAN 80 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025190131	CALAN SR 120 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025190134	CALAN SR 120 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025191131	CALAN SR 180 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025191134	CALAN SR 180 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025189131	CALAN SR 240 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025189134	CALAN SR 240 MG CAPLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025189151	CALAN SR 240 MG CAPLET SA
MERRELL PHARMACEUTICALS INC	00068003701	CANTIL 25 MG TABLET
AXCAN SCANDIPHARM INC	58914017110	CARAFATE 1 GM TABLET
AXCAN SCANDIPHARM INC	58914017121	CARAFATE 1 GM TABLET
AXCAN SCANDIPHARM INC	58914017130	CARAFATE 1 GM TABLET
AXCAN SCANDIPHARM INC	58914017150	CARAFATE 1 GM TABLET
HOFFMANN LA ROCHE INC	00004018301	CARDENE 20 MG CAPSULE
HOFFMANN LA ROCHE INC	00004018401	CARDENE 30 MG CAPSULE
HOFFMANN LA ROCHE INC	00004018022	CARDENE SR 30 MG CAPSULE SA
HOFFMANN LA ROCHE INC	00004018081	CARDENE SR 30 MG CAPSULE SA
HOFFMANN LA ROCHE INC	00004018122	CARDENE SR 45 MG CAPSULE SA
HOFFMANN LA ROCHE INC	00004018191	CARDENE SR 45 MG CAPSULE SA
HOFFMANN LA ROCHE INC	00004018222	CARDENE SR 80 MG CAPSULE SA
BIOVAIL PHARMACEUTICALS INC	64455078247	CARDIZEM 120 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177147	CARDIZEM 30 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177155	CARDIZEM 30 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177190	CARDIZEM 30 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177247	CARDIZEM 80 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177255	CARDIZEM 80 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088177290	CARDIZEM 80 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088179147	CARDIZEM 80 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00088179530	CARDIZEM CD 120 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179542	CARDIZEM CD 120 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079549	CARDIZEM CD 120 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179630	CARDIZEM CD 180 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179642	CARDIZEM CD 180 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079649	CARDIZEM CD 180 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079650	CARDIZEM CD 180 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179730	CARDIZEM CD 240 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179742	CARDIZEM CD 240 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079749	CARDIZEM CD 240 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179830	CARDIZEM CD 300 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088179842	CARDIZEM CD 300 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079849	CARDIZEM CD 300 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	64455079942	CARDIZEM CD 360 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088177947	CARDIZEM SR 120 MG CAP SA
BIOVAIL PHARMACEUTICALS INC	00088177747	CARDIZEM SR 60 MG CAPSULE SA
BIOVAIL PHARMACEUTICALS INC	00088177847	CARDIZEM SR 90 MG CAPSULE SA
ASTRAZENECA LP	00310070510	CASODEX 50 MG TABLET
ASTRAZENECA LP	00310070530	CASODEX 50 MG TABLET
ASTRAZENECA LP	00310070539	CASODEX 50 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028015101	CATAFLAM 50 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597000801	CATAPRES 0.1 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597000701	CATAPRES 0.2 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597001101	CATAPRES 0.3 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597003112	CATAPRES-TTS 1 PATCH
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597003212	CATAPRES-TTS 2 PATCH
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597003334	CATAPRES-TTS 3 PATCH
BRISTOL MYERS SQUIBB CO	00015303020	CEENU 10 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00015303220	CEENU 100 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00015303120	CEENU 40 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00015303410	CEENU DOSE PACK
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039501	CEFTIN 125 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173040800	CEFTIN 125 MG/5 ML ORAL SUSP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173038700	CEFTIN 250 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173038701	CEFTIN 250 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173038742	CEFTIN 250 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173055400	CEFTIN 250 MG/5 ML ORAL SUSP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173055500	CEFTIN 250 MG/5 ML ORAL SUSP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039400	CEFTIN 500 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039401	CEFTIN 500 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039442	CEFTIN 500 MG TABLET
BRISTOL MYERS SQUIBB CO	00087772080	CEFZIL 250 MG TABLET
BRISTOL MYERS SQUIBB CO	00087772150	CEFZIL 500 MG TABLET
BRISTOL MYERS SQUIBB CO	00087772160	CEFZIL 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025152031	CELEBREX 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025152034	CELEBREX 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025152051	CELEBREX 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025152531	CELEBREX 200 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025152534	CELEBREX 200 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025152551	CELEBREX 200 MG CAPSULE
SCHERING CORP	00085094205	CELESTONE 0.6 MG/5 ML SYRUP
FOREST PHARMACEUTICALS INC	00456401001	CELEXA 10 MG TABLET
FOREST PHARMACEUTICALS INC	00456413008	CELEXA 10 MG/5 ML SOLUTION
FOREST PHARMACEUTICALS INC	00456402001	CELEXA 20 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
FOREST PHARMACEUTICALS INC	00456402063	CELEXA 20 MG TABLET
FOREST PHARMACEUTICALS INC	00456404001	CELEXA 40 MG TABLET
FOREST PHARMACEUTICALS INC	00456404063	CELEXA 40 MG TABLET
HOFFMANN LA ROCHE INC	00004026129	CELLCEPT 200 MG/ML ORAL SUSP
HOFFMANN LA ROCHE INC	00004025901	CELLCEPT 250 MG CAPSULE
HOFFMANN LA ROCHE INC	00004025905	CELLCEPT 250 MG CAPSULE
HOFFMANN LA ROCHE INC	00004025943	CELLCEPT 250 MG CAPSULE
HOFFMANN LA ROCHE INC	00004026001	CELLCEPT 500 MG TABLET
HOFFMANN LA ROCHE INC	00004026043	CELLCEPT 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071052524	CELONTIN 300 MG KAPSEAL
PFIZER LABORATORIES DIV PFIZER INC	00071053724	CELONTIN KAPSEAL 150 MG
US PHARMACEUTICAL CORP	52747014060	CENOGEN ULTRA CAPSULE
PURDUE PHARMACEUTICAL PRODUCTS LP	00034549006	CERUMENEX 10% EAR DROPS
PURDUE PHARMACEUTICAL PRODUCTS LP	00034548012	CERUMENEX 10% EAR DROPS
FOREST PHARMACEUTICALS INC	00456412363	CERVIDIL 10 MG VAGINAL INSRT
BAYER CORP PHARMACEUTICAL DIV	00026855336	CIPRO 10% SUSPENSION
BAYER CORP PHARMACEUTICAL DIV	00026851106	CIPRO 100 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026851248	CIPRO 250 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026851251	CIPRO 250 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026855136	CIPRO 5% SUSPENSION
BAYER CORP PHARMACEUTICAL DIV	00026851348	CIPRO 500 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026851351	CIPRO 500 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026851448	CIPRO 750 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026851450	CIPRO 750 MG TABLET
SCHERING CORP	00085126401	CLARINEX 5 MG TABLET
SCHERING CORP	00085126402	CLARINEX 5 MG TABLET
SCHERING CORP	00085126403	CLARINEX 5 MG TABLET
SCHERING CORP	00085126404	CLARINEX 5 MG TABLET
SCHERING CORP	00085112802	CLARITIN 10 MG REDITABS
SCHERING CORP	00085045803	CLARITIN 10 MG TABLET
SCHERING CORP	00085045804	CLARITIN 10 MG TABLET
SCHERING CORP	00085045805	CLARITIN 10 MG TABLET
SCHERING CORP	00085045806	CLARITIN 10 MG TABLET
SCHERING CORP	00085122301	CLARITIN 10 MG/10 ML SYRUP
SCHERING CORP	00085063501	CLARITIN-D 12 HOUR TAB SA
SCHERING CORP	00085063504	CLARITIN-D 12 HOUR TAB SA
SCHERING CORP	00085063505	CLARITIN-D 12 HOUR TAB SA
SCHERING CORP	00085123301	CLARITIN-D 24 HOUR TAB SA
SCHERING CORP	00085123302	CLARITIN-D 24 HOUR TAB SA
FERNDAL LABORATORIES INC	00498085745	CLINAC BPO 7% GEL
MERRELL PHARMACEUTICALS INC	00068022630	CLOMID 50 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078012705	CLOZARIL 100 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078012706	CLOZARIL 100 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078012805	CLOZARIL 25 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078012806	CLOZARIL 25 MG TABLET
FIRST HORIZON PHARMACEUTICAL CORP	59630019012	COGNEX 10 MG CAPSULE
FIRST HORIZON PHARMACEUTICAL CORP	59630019112	COGNEX 20 MG CAPSULE
FIRST HORIZON PHARMACEUTICAL CORP	59630019212	COGNEX 30 MG CAPSULE
FIRST HORIZON PHARMACEUTICAL CORP	59630019312	COGNEX 40 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078037745	COMBIPATCH 0.05/0.14 MG PTCH
NOVARTIS PHARMACEUTICALS CORP	00078037742	COMBIPATCH 0.05/0.14 MG PTCH
NOVARTIS PHARMACEUTICALS CORP	00078037845	COMBIPATCH 0.05/0.25 MG PTCH
NOVARTIS PHARMACEUTICALS CORP	00078037842	COMBIPATCH 0.05/0.25 MG PTCH
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597001314	COMBIVENT INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173059500	COMBIVIR TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173059502	COMBIVIR TABLET
NOVARTIS PHARMACEUTICALS CORP	00078032705	COMTAN 200 MG TABLET
JOHNSON & JOHNSON GROUP	17314585002	CONCERTA 18 MG TABLET SA
JOHNSON & JOHNSON GROUP	17314585102	CONCERTA 36 MG TABLET SA
JOHNSON & JOHNSON GROUP	17314585202	CONCERTA 54 MG TABLET SA
WATSON LABORATORIES INC	55515010201	CONDYLOX 0.5% GEL
WATSON LABORATORIES INC	55515010101	CONDYLOX 0.5% TOPICAL SOLN
WATSON LABORATORIES INC	55515001424	CORDRAN 4 MCG/SQ CM TAPE
WATSON LABORATORIES INC	55515001480	CORDRAN 4 MCG/SQ CM TAPE
WATSON LABORATORIES INC	55515003515	CORDRAN SP 0.05% CREAM
WATSON LABORATORIES INC	55515003530	CORDRAN SP 0.05% CREAM
WATSON LABORATORIES INC	55515003560	CORDRAN SP 0.05% CREAM
MONARCH PHARMACEUTICALS INC	61570020301	CORGARD 120 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020401	CORGARD 160 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020001	CORGARD 20 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020101	CORGARD 40 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020110	CORGARD 40 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020201	CORGARD 80 MG TABLET
MONARCH PHARMACEUTICALS INC	61570020210	CORGARD 80 MG TABLET
MONARCH PHARMACEUTICALS INC	61570017501	CORZIDE 40/5 TABLET
MONARCH PHARMACEUTICALS INC	61570017601	CORZIDE 80/5 TABLET
BRISTOL MYERS SQUIBB CO	00058016970	COUMADIN 1 MG TABLET
BRISTOL MYERS SQUIBB CO	00058016975	COUMADIN 1 MG TABLET
BRISTOL MYERS SQUIBB CO	00058016990	COUMADIN 1 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017470	COUMADIN 10 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017475	COUMADIN 10 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017070	COUMADIN 2 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017075	COUMADIN 2 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017090	COUMADIN 2 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017670	COUMADIN 2.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00058017675	COUMADIN 2.5 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
BRISTOL MYERS SQUIBB CO	00056017890	COUMADIN 2.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018870	COUMADIN 3 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018875	COUMADIN 3 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018890	COUMADIN 3 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018870	COUMADIN 4 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018875	COUMADIN 4 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018890	COUMADIN 4 MG TABLET
BRISTOL MYERS SQUIBB CO	00056017270	COUMADIN 5 MG TABLET
BRISTOL MYERS SQUIBB CO	00056017275	COUMADIN 5 MG TABLET
BRISTOL MYERS SQUIBB CO	00056017290	COUMADIN 5 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018970	COUMADIN 6 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018975	COUMADIN 6 MG TABLET
BRISTOL MYERS SQUIBB CO	00056018990	COUMADIN 6 MG TABLET
BRISTOL MYERS SQUIBB CO	00056017370	COUMADIN 7.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00056017375	COUMADIN 7.5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025201131	COVERA-HS 180 MG TABLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025201134	COVERA-HS 180 MG TABLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025202131	COVERA-HS 240 MG TABLET SA
PFIZER LABORATORIES DIV PFIZER INC	00025202134	COVERA-HS 240 MG TABLET SA
ORGANON USA INC	00052028306	CYCLESSA 28 DAY TABLET
NOVARTIS PHARMACEUTICALS CORP	00083002430	CYTADREN 250 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025145120	CYTOTEC 100 MCG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025145134	CYTOTEC 100 MCG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025145160	CYTOTEC 100 MCG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025146131	CYTOTEC 200 MCG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025146134	CYTOTEC 200 MCG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025146180	CYTOTEC 200 MCG TABLET
HOFFMANN LA ROCHE INC	00004026948	CYTOVENE 250 MG CAPSULE
HOFFMANN LA ROCHE INC	00004027848	CYTOVENE 500 MG CAPSULE
SANOFI SYNTHELABO INC	00024030406	DANOCRINE 100 MG CAPSULE
SANOFI SYNTHELABO INC	00024030506	DANOCRINE 200 MG CAPSULE
SANOFI SYNTHELABO INC	00024030560	DANOCRINE 200 MG CAPSULE
SANOFI SYNTHELABO INC	00024030306	DANOCRINE 50 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149003305	DANTRIUM 100 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149003005	DANTRIUM 25 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149003066	DANTRIUM 25 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149003105	DANTRIUM 50 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173020155	DARAPRIM 25 MG TABLET
AAIPHARMA LLC	00002036302	DARVOCET-N 100 TABLET
AAIPHARMA LLC	00002036303	DARVOCET-N 100 TABLET
AAIPHARMA LLC	00002038333	DARVOCET-N 100 TABLET
AAIPHARMA LLC	00002035102	DARVOCET-N 50 TABLET
AAIPHARMA LLC	00002080303	DARVON 85 MG PULVULE
AAIPHARMA LLC	00002080333	DARVON 85 MG PULVULE
AAIPHARMA LLC	86591062241	DARVON 85 MG PULVULE
AAIPHARMA LLC	00002311102	DARVON COMPOUND-85 PULVULE
AAIPHARMA LLC	00002311103	DARVON COMPOUND-85 PULVULE
AAIPHARMA LLC	00002035333	DARVON-N 100 MG TABLET
AAIPHARMA LLC	86591063141	DARVON-N 100 MG TABLET
AAIPHARMA LLC	86591063151	DARVON-N 100 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025138131	DAYPRO 800 MG CAPLET
PFIZER LABORATORIES DIV PFIZER INC	00025138134	DAYPRO 800 MG CAPLET
PFIZER LABORATORIES DIV PFIZER INC	00025138151	DAYPRO 800 MG CAPLET
HOFFMANN LA ROCHE INC	00004026301	DEMADEX 10 MG TABLET
HOFFMANN LA ROCHE INC	00004026349	DEMADEX 10 MG TABLET
HOFFMANN LA ROCHE INC	00004026706	DEMADEX 10 MG/ML AMPUL
HOFFMANN LA ROCHE INC	00004026806	DEMADEX 10 MG/ML AMPUL
HOFFMANN LA ROCHE INC	00004026501	DEMADEX 100 MG TABLET
HOFFMANN LA ROCHE INC	00004026549	DEMADEX 100 MG TABLET
HOFFMANN LA ROCHE INC	00004026401	DEMADEX 20 MG TABLET
HOFFMANN LA ROCHE INC	00004026449	DEMADEX 20 MG TABLET
HOFFMANN LA ROCHE INC	00004026201	DEMADEX 5 MG TABLET
HOFFMANN LA ROCHE INC	00004028249	DEMADEX 5 MG TABLET
SANOFI SYNTHELABO INC	00024033704	DEMEROL 100 MG TABLET
SANOFI SYNTHELABO INC	00024033504	DEMEROL 50 MG TABLET
SANOFI SYNTHELABO INC	00024033506	DEMEROL 50 MG TABLET
SANOFI SYNTHELABO INC	00024033502	DEMEROL 50 MG TABLET
SANOFI SYNTHELABO INC	00024033206	DEMEROL 50 MG/5 ML SYRUP
PFIZER LABORATORIES DIV PFIZER INC	00025016109	DEMULEN 1/35-28 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025016124	DEMULEN 1/35-28 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025008109	DEMULEN 1/50-28 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025008124	DEMULEN 1/50-28 TABLET
ABBOTT LABORATORIES	00074611411	DEPAKOTE 125 MG SPRINKLE CAP
ABBOTT LABORATORIES	00074621211	DEPAKOTE 125 MG TABLET EC
ABBOTT LABORATORIES	00074621411	DEPAKOTE 250 MG TABLET EC
ABBOTT LABORATORIES	00074621511	DEPAKOTE 500 MG TABLET EC
ORGANON USA INC	00052028106	DESOGEN 28 DAY TABLET
MERRELL PHARMACEUTICALS INC	00039005305	DIABETA 1.25 MG TABLET
HOECHST ROUSSEL PHARMACEUTICALS DIV	00039005005	DIABETA 1.25MG TABLET
MERRELL PHARMACEUTICALS INC	00039005110	DIABETA 2.5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005111	DIABETA 2.5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005150	DIABETA 2.5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005210	DIABETA 5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005211	DIABETA 5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005250	DIABETA 5 MG TABLET
MERRELL PHARMACEUTICALS INC	00039005270	DIABETA 5 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149040560	DIDRONEL 200 MG TABLET
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149040680	DIDRONEL 400 MG TABLET
WATSON LABORATORIES INC	52544048201	DILACOR XR 120 MG CAPSULE SA
WATSON LABORATORIES INC	00075025000	DILACOR XR 120MG CAPSULE SA
WATSON LABORATORIES INC	52544073201	DILACOR XR 120MG CAPSULE SA
WATSON LABORATORIES INC	52544048301	DILACOR XR 180 MG CAPSULE SA
WATSON LABORATORIES INC	52544048305	DILACOR XR 180 MG CAPSULE SA
WATSON LABORATORIES INC	00075025100	DILACOR XR 180MG CAPSULE SA
WATSON LABORATORIES INC	52544073301	DILACOR XR 180MG CAPSULE SA
WATSON LABORATORIES INC	52544048401	DILACOR XR 240 MG CAPSULE SA
WATSON LABORATORIES INC	52544048405	DILACOR XR 240 MG CAPSULE SA
WATSON LABORATORIES INC	00075025200	DILACOR XR 240MG CAPSULE SA
WATSON LABORATORIES INC	52544073401	DILACOR XR 240MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00071036224	DILANTIN 100 MG KAPSEAL
PFIZER LABORATORIES DIV PFIZER INC	00071036232	DILANTIN 100 MG KAPSEAL
PFIZER LABORATORIES DIV PFIZER INC	00071038240	DILANTIN 100 MG KAPSEAL
PFIZER LABORATORIES DIV PFIZER INC	00071221420	DILANTIN 125 MG/5 ML SUSP
PFIZER LABORATORIES DIV PFIZER INC	00071038524	DILANTIN 30 MG KAPSEAL
PFIZER LABORATORIES DIV PFIZER INC	00071000724	DILANTIN 50 MG INFATAB
PFIZER LABORATORIES DIV PFIZER INC	00071000740	DILANTIN 50 MG INFATAB
SCHERING CORP	00085063401	DIPROLENE 0.05% GEL
SCHERING CORP	00085063403	DIPROLENE 0.05% GEL
SCHERING CORP	00085096201	DIPROLENE 0.05% LOTION
SCHERING CORP	00085096202	DIPROLENE 0.05% LOTION
SCHERING CORP	00085057502	DIPROLENE 0.05% OINTMENT
SCHERING CORP	00085057505	DIPROLENE 0.05% OINTMENT
SCHERING CORP	00085051701	DIPROLENE AF 0.05% CREAM
SCHERING CORP	00085051704	DIPROLENE AF 0.05% CREAM
JOHNSON & JOHNSON GROUP	17314920001	DITROPAN 5 MG TABLET
JOHNSON & JOHNSON GROUP	17314920002	DITROPAN 5 MG TABLET
JOHNSON & JOHNSON GROUP	17314920003	DITROPAN 5 MG TABLET
JOHNSON & JOHNSON GROUP	17314920104	DITROPAN 5 MG/5 ML SYRUP
WARNER CHILCOTT INC	00430063819	DORYX 100 MG CAPSULE EC
WARNER CHILCOTT INC	00430063820	DORYX 75 MG CAPSULE EC
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072026006	DOVONEX 0.005% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072026012	DOVONEX 0.005% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072254006	DOVONEX 0.005% OINTMENT
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072254012	DOVONEX 0.005% OINTMENT
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072118006	DOVONEX 0.005% SOLUTION
SANOFI SYNTHELABO INC	00024039202	DRISDOL 50,000 UNITS CAPSULE
JOHNSON & JOHNSON GROUP	50458003605	DURAGESIC 100 MCG/HR PATCH
JOHNSON & JOHNSON GROUP	50458003305	DURAGESIC 25 MCG/HR PATCH
JOHNSON & JOHNSON GROUP	50458003405	DURAGESIC 50 MCG/HR PATCH
JOHNSON & JOHNSON GROUP	50458003505	DURAGESIC 75 MCG/HR PATCH
WARNER CHILCOTT INC	00430278217	DURICEF 250 MG/5 ML ORAL SUSP
WARNER CHILCOTT INC	00087078448	DURICEF 500 MG CAPSULE
WARNER CHILCOTT INC	00430278317	DURICEF 500 MG/5 ML ORAL SUSP
RELIANT PHARMACEUTICALS INC	65726022615	DYNACIRC 2.5 MG CAPSULE
RELIANT PHARMACEUTICALS INC	65726022625	DYNACIRC 2.5 MG CAPSULE
RELIANT PHARMACEUTICALS INC	65726022715	DYNACIRC 5 MG CAPSULE
RELIANT PHARMACEUTICALS INC	65726022725	DYNACIRC 5 MG CAPSULE
RELIANT PHARMACEUTICALS INC	65726023610	DYNACIRC CR 10 MG TABLET SA
RELIANT PHARMACEUTICALS INC	65726023625	DYNACIRC CR 10 MG TABLET SA
RELIANT PHARMACEUTICALS INC	65726023510	DYNACIRC CR 5 MG TABLET SA
RELIANT PHARMACEUTICALS INC	65726023525	DYNACIRC CR 5 MG TABLET SA
HOFFMANN LA ROCHE INC	00004641501	EC-NAPROSYN 375 MG TABLET EC
HOFFMANN LA ROCHE INC	00004641601	EC-NAPROSYN 500 MG TABLET EC
ASTRAZENECA LP	00310004010	ELAVIL 10 MG TABLET
ASTRAZENECA LP	00310004310	ELAVIL 100 MG TABLET
ASTRAZENECA LP	00310004710	ELAVIL 150 MG TABLET
ASTRAZENECA LP	00310004730	ELAVIL 150 MG TABLET
ASTRAZENECA LP	00310004510	ELAVIL 25 MG TABLET
ASTRAZENECA LP	00310004550	ELAVIL 25 MG TABLET
ASTRAZENECA LP	00310004110	ELAVIL 50 MG TABLET
ASTRAZENECA LP	00310004210	ELAVIL 75 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078037540	ELIDEL 1% CREAM
NOVARTIS PHARMACEUTICALS CORP	00078037546	ELIDEL 1% CREAM
NOVARTIS PHARMACEUTICALS CORP	00078037563	ELIDEL 1% CREAM
SANOFI SYNTHELABO INC	00024079375	ELIGARD 7.5 MG SYRINGE
FOREST PHARMACEUTICALS INC	00458064808	ELIXOPHYLLIN GG 100/100 LIQ
FOREST PHARMACEUTICALS INC	00458064818	ELIXOPHYLLIN GG 100/100 LIQ
FOREST PHARMACEUTICALS INC	00458064508	ELIXOPHYLLIN-KI ELIXIR
JOHNSON & JOHNSON GROUP	17314930001	ELMIRON 100 MG CAPSULE
SCHERING CORP	00085056701	ELOCON 0.1% CREAM
SCHERING CORP	00085056702	ELOCON 0.1% CREAM
SCHERING CORP	00085085401	ELOCON 0.1% LOTION
SCHERING CORP	00085085402	ELOCON 0.1% LOTION
SCHERING CORP	00085037001	ELOCON 0.1% OINTMENT
SCHERING CORP	00085037002	ELOCON 0.1% OINTMENT
ASTRAZENECA LP	00186151601	EMLA CREAM
ASTRAZENECA LP	00186151501	EMLA CREAM W/TEGADERM
ASTRAZENECA LP	00186151503	EMLA CREAM W/TEGADERM
IMMUNEX CORP	58406042534	ENBREL 25 MG KIT
IMMUNEX CORP	58406042541	ENBREL 25 MG KIT
ASTRAZENECA LP	00186070210	ENTOCORT EC 3 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173047100	EPIVIR 10 MG/ML ORAL SOLN

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173047001	EPIVIR 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173066200	EPIVIR HBV 100 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173066300	EPIVIR HBV 25 MG/5 ML SOLN
JOHNSON & JOHNSON GROUP	50458027036	ERGAMISOL 50MG TABLET
WARNER CHILCOTT INC	00430068624	ERYC 250 MG CAPSULE EC
JOHNSON & JOHNSON GROUP	00062118501	ERYCETTE 2% PLEDGETS
FOREST PHARMACEUTICALS INC	00458063001	ESGIC TABLET
FOREST PHARMACEUTICALS INC	00535001101	ESGIC TABLET
FOREST PHARMACEUTICALS INC	00458067801	ESGIC-PLUS TABLET
WARNER CHILCOTT INC	00430375411	ESTRACE 0.01% CREAM
WARNER CHILCOTT INC	00430375414	ESTRACE 0.01% CREAM
WARNER CHILCOTT INC	00430002324	ESTRACE 1 MG TABLET
WARNER CHILCOTT INC	00430002330	ESTRACE 1 MG TABLET
WARNER CHILCOTT INC	00430002424	ESTRACE 2 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083231008	ESTRADERM 0.05 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083231062	ESTRADERM 0.05 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083232008	ESTRADERM 0.1 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083232062	ESTRADERM 0.1 MG PATCH
PFIZER LABORATORIES DIV PFIZER INC	00071092815	ESTROSTEP FE-28 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071092847	ESTROSTEP FE-28 TABLET
BAXTER HEALTHCARE CORP	10019035060	ETHRANE INHALATION
SCHERING CORP	00085052503	EULEXIN 125 MG CAPSULE
SCHERING CORP	00085052505	EULEXIN 125 MG CAPSULE
SCHERING CORP	00085052506	EULEXIN 125 MG CAPSULE
ELI LILLY AND CO	00002418502	EVISTA 80 MG TABLET
ELI LILLY AND CO	00002418507	EVISTA 80 MG TABLET
ELI LILLY AND CO	00002418530	EVISTA 80 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078032306	EXELON 1.5 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032344	EXELON 1.5 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078033931	EXELON 2 MG/ML ORAL SOLUTION
NOVARTIS PHARMACEUTICALS CORP	00078032406	EXELON 3 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032444	EXELON 3 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032506	EXELON 4.5 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032544	EXELON 4.5 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032606	EXELON 6 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078032644	EXELON 6 MG CAPSULE
HOFFMANN LA ROCHE INC	00004016103	FANSIDAR 500/25 TABLET
NOVARTIS PHARMACEUTICALS CORP	00078024915	FEMARA 2.5 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00430054414	FEMHRT 1/5 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00430054423	FEMHRT 1/5 TABLET
WARNER CHILCOTT INC	00430620140	FEMRING 0.05 MG VAGINAL RING
WARNER CHILCOTT INC	00430620240	FEMRING 0.10 MG VAGINAL RING
ABBOTT LABORATORIES	00074707930	FERO-FOLIC-500 FILMTAB
NOVARTIS PHARMACEUTICALS CORP	00078010305	FIORINAL CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078010308	FIORINAL CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078010705	FIORINAL/CODEINE #3 CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025183131	FLAGYL 250 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025183150	FLAGYL 250 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025183155	FLAGYL 250 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025194234	FLAGYL 375 CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025194250	FLAGYL 375 CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025182131	FLAGYL 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025182150	FLAGYL 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025182151	FLAGYL 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025196130	FLAGYL ER 750 MG TABLET SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173045301	FLONASE 0.05% NASAL SPRAY
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173050900	FLOVENT 100 MCG ROTADISK
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049400	FLOVENT 110 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049800	FLOVENT 110 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049500	FLOVENT 220 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049900	FLOVENT 220 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173050400	FLOVENT 250 MCG ROTADISK
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049100	FLOVENT 44 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173049700	FLOVENT 44 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173051100	FLOVENT 50 MCG ROTADISK
JOHNSON & JOHNSON GROUP	00062154002	FLOXIN 200 MG TABLET
JOHNSON & JOHNSON GROUP	00062154102	FLOXIN 300 MG TABLET
JOHNSON & JOHNSON GROUP	00062154201	FLOXIN 400 MG TABLET
FOREST PHARMACEUTICALS INC	00458052101	FLUMADINE 100 MG TABLET
FOREST PHARMACEUTICALS INC	00458052708	FLUMADINE 50 MG/5 ML SYRUP
NOVARTIS PHARMACEUTICALS CORP	00078038205	FOCALIN 10 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078038805	FOCALIN 2.5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078038105	FOCALIN 5 MG TABLET
SCHERING CORP	00065140101	FORADIL AEROLIZER 12 MCG CAP
SCHERING CORP	00065140201	FORADIL AEROLIZER 12 MCG CAP
HOFFMANN LA ROCHE INC	00004024648	FORTOVASE 200 MG SOFTGEL CAP
NOVARTIS PHARMACEUTICALS CORP	00078037366	GLEEVEC 100 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00087607111	GLUCOPHAGE 1,000 MG TABLET
BRISTOL MYERS SQUIBB CO	00087606005	GLUCOPHAGE 500 MG TABLET
BRISTOL MYERS SQUIBB CO	00087606010	GLUCOPHAGE 500 MG TABLET
BRISTOL MYERS SQUIBB CO	00087607005	GLUCOPHAGE 850 MG TABLET
BRISTOL MYERS SQUIBB CO	00087607211	GLUCOVANCE 1.25/250 MG TAB
BRISTOL MYERS SQUIBB CO	00087607311	GLUCOVANCE 2.5/500 MG TAB
BRISTOL MYERS SQUIBB CO	00087607411	GLUCOVANCE 5/500 MG TAB
JOHNSON & JOHNSON GROUP	00062020604	GRIFULVIN V 125 MG/5 ML SUSP
PROMETHEUS LABORATORIES INC	65483049514	HELIDAC THERAPY

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
US PHARMACEUTICAL CORP	52747080060	HEMOCYTE PLUS CAPSULE
US PHARMACEUTICAL CORP	52747030830	HEMOCYTE PLUS TABULE
US PHARMACEUTICAL CORP	52747030870	HEMOCYTE PLUS TABULE
US PHARMACEUTICAL CORP	52747030630	HEMOCYTE-F TABLET
US PHARMACEUTICAL CORP	52747030670	HEMOCYTE-F TABLET
GILEAD SCIENCES INC	61958050101	HEPSERA 10 MG TABLET
MERRELL PHARMACEUTICALS INC	00068027761	HIPREX 1 GM TABLET
HOFFMANN LA ROCHE INC	00004022001	HIVID 0.375 MG TABLET
HOFFMANN LA ROCHE INC	00004022101	HIVID 0.750 MG TABLET
SANOFI SYNTHELABO INC	00024079202	HYTAKEROL 0.125 MG CAPSULE
ABBOTT LABORATORIES	00074712530	IBERET-FOLIC 600 FILMTAB
HAWTHORN PHARMACEUTICALS	63717015003	ICAR PRENATAL COMBO PACK
HAWTHORN PHARMACEUTICALS	63717011201	ICAR-C PLUS SR CAPSULE
SCHERING CORP	00085115303	IMDUR 120 MG TABLET SA
SCHERING CORP	00085115304	IMDUR 120 MG TABLET SA
SCHERING CORP	00085330601	IMDUR 30 MG TABLET SA
SCHERING CORP	00085330603	IMDUR 30 MG TABLET SA
SCHERING CORP	00085411001	IMDUR 60 MG TABLET SA
SCHERING CORP	00085411003	IMDUR 80 MG TABLET SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173045003	IMITREX 100 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052300	IMITREX 20 MG NASAL SPRAY
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173046002	IMITREX 25 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052400	IMITREX 5 MG NASAL SPRAY
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173045800	IMITREX 50 MG TABLET
PROMETHEUS LABORATORIES INC	65483059010	IMURAN 50 MG TABLET
MERRELL PHARMACEUTICALS INC	60793001114	INTAL INHALER
MERRELL PHARMACEUTICALS INC	00585067302	INTAL NEBULIZER SOLUTION
MERRELL PHARMACEUTICALS INC	00585067303	INTAL NEBULIZER SOLUTION
HOFFMANN LA ROCHE INC	00004024515	INVIRASE 200 MG CAPSULE
SCHERING CORP	00085026301	K-DUR 10 MEQ TABLET SA
SCHERING CORP	00085026381	K-DUR 10 MEQ TABLET SA
SCHERING CORP	00085078701	K-DUR 20 MEQ TABLET SA
SCHERING CORP	00085078706	K-DUR 20 MEQ TABLET SA
SCHERING CORP	00085078710	K-DUR 20 MEQ TABLET SA
SCHERING CORP	00085078781	K-DUR 20 MEQ TABLET SA
PFIZER LABORATORIES DIV PFIZER INC	00024230110	KERLONE 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00024230020	KERLONE 20 MG TABLET
HOFFMANN LA ROCHE INC	00004008801	KLONOPIN 0.5 MG TABLET
HOFFMANN LA ROCHE INC	00004005801	KLONOPIN 1 MG TABLET
HOFFMANN LA ROCHE INC	00004008801	KLONOPIN 2 MG TABLET
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072573028	LAC-HYDRIN 12% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072573038	LAC-HYDRIN 12% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072570801	LAC-HYDRIN 12% LOTION
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072571208	LAC-HYDRIN 12% LOTION
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072571214	LAC-HYDRIN 12% LOTION
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072571401	LAC-HYDRIN 12% LOTION
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173064255	LAMICTAL 100 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173064360	LAMICTAL 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173064460	LAMICTAL 200 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052700	LAMICTAL 25 MG DISPER TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173063302	LAMICTAL 25 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052800	LAMICTAL 5 MG DISPER TABLET
NOVARTIS PHARMACEUTICALS CORP	00076032882	LAMISIL 1% SOLUTION
NOVARTIS PHARMACEUTICALS CORP	00078017905	LAMISIL 250 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078017915	LAMISIL 250 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028010801	LAMPRENE 50 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024255	LANOXIN 125 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024256	LANOXIN 125 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024275	LANOXIN 125 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024855	LANOXIN 250 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024856	LANOXIN 250 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024875	LANOXIN 250 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173024880	LANOXIN 250 MCG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173028427	LANOXIN 50 MCG/ML ELIXIR
HOFFMANN LA ROCHE INC	00004017202	LARIAM 250 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006710	LASIX 20 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006750	LASIX 20 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006770	LASIX 20 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006011	LASIX 40 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006013	LASIX 40 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006050	LASIX 40 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006070	LASIX 40 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006805	LASIX 80 MG TABLET
MERRELL PHARMACEUTICALS INC	00039006850	LASIX 80 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078017805	LESCOL 20 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078017815	LESCOL 20 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078023405	LESCOL 40 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078023415	LESCOL 40 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078035405	LESCOL XL 80 MG TABLET SA
NOVARTIS PHARMACEUTICALS CORP	00078035415	LESCOL XL 80 MG TABLET SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173063535	LEUKERAN 2 MG TABLET
JOHNSON & JOHNSON GROUP	00045152010	LEVAQUIN 250 MG TABLET
JOHNSON & JOHNSON GROUP	00045152050	LEVAQUIN 250 MG TABLET
JOHNSON & JOHNSON GROUP	00045152510	LEVAQUIN 500 MG TABLET
JOHNSON & JOHNSON GROUP	00045152550	LEVAQUIN 500 MG TABLET
JOHNSON & JOHNSON GROUP	00045153010	LEVAQUIN 750 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
JOHNSON & JOHNSON GROUP	00045153050	LEVAQUIN 750 MG TABLET
ASTRAZENECA LP	00186000231	LEXCEL 5-2.5 MG TABLET SA
ASTRAZENECA LP	00186000131	LEXCEL 5-5 MG TABLET SA
ASTRAZENECA LP	00186000188	LEXCEL 5-5 MG TABLET SA
PFIZER LABORATORIES DIV PFIZER INC	00071015523	LIPITOR 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015534	LIPITOR 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015540	LIPITOR 10 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015623	LIPITOR 20 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015640	LIPITOR 20 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015723	LIPITOR 40 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071015823	LIPITOR 80 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091648	LOESTRIN 21 1.5/30 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091548	LOESTRIN 21 1/20 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091745	LOESTRIN FE 1.5/30 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091748	LOESTRIN FE 1.5/30 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091345	LOESTRIN FE 1/20 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071091348	LOESTRIN FE 1/20 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025006802	LOMOTIL LIQUID
PFIZER LABORATORIES DIV PFIZER INC	00025006131	LOMOTIL TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025006134	LOMOTIL TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025006151	LOMOTIL TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025006152	LOMOTIL TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025006155	LOMOTIL TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071073720	LOPID 800 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071073730	LOPID 600 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028420133	LOPRESSOR 1 MG/ML AMPUL
NOVARTIS PHARMACEUTICALS CORP	00028007101	LOPRESSOR 100 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028007110	LOPRESSOR 100 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028007161	LOPRESSOR 100 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028005101	LOPRESSOR 50 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028005110	LOPRESSOR 50 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00028005301	LOPRESSOR HCT 100/25 TABLET
NOVARTIS PHARMACEUTICALS CORP	00028007301	LOPRESSOR HCT 100/50 TABLET
NOVARTIS PHARMACEUTICALS CORP	00028003501	LOPRESSOR HCT 50/25 TABLET
FOREST PHARMACEUTICALS INC	00785635001	LORCET 10/650 TABLET
FOREST PHARMACEUTICALS INC	00785635050	LORCET 10/650 TABLET
FOREST PHARMACEUTICALS INC	00785635063	LORCET 10/650 TABLET
FOREST PHARMACEUTICALS INC	00785112201	LORCET PLUS TABLET
FOREST PHARMACEUTICALS INC	00785112250	LORCET PLUS TABLET
FOREST PHARMACEUTICALS INC	00785112263	LORCET PLUS TABLET
FOREST PHARMACEUTICALS INC	00785112001	LORCET-HD CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00083006330	LOTENSIN 10 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083006332	LOTENSIN 10 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083006390	LOTENSIN 10 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007930	LOTENSIN 20 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007932	LOTENSIN 20 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007990	LOTENSIN 20 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083008430	LOTENSIN 40 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083008432	LOTENSIN 40 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083008490	LOTENSIN 40 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083005930	LOTENSIN 5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083005932	LOTENSIN 5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083005990	LOTENSIN 5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007230	LOTENSIN HCT 10/12.5 TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007430	LOTENSIN HCT 20/12.5 TABLET
NOVARTIS PHARMACEUTICALS CORP	00083007530	LOTENSIN HCT 20/25 TABLET
NOVARTIS PHARMACEUTICALS CORP	00083006730	LOTENSIN HCT 5/6.25 TABLET
NOVARTIS PHARMACEUTICALS CORP	00083225530	LOTREL 2.5/10 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00083226030	LOTREL 5/10 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00083226530	LOTREL 5/20 MG CAPSULE
SCHERING CORP	00085092401	LOTRISONE CREAM
SCHERING CORP	00085092402	LOTRISONE CREAM
SCHERING CORP	00085080901	LOTRISONE LOTION
BRISTOL MYERS SQUIBB CO	00015308060	LYSODREN 500 MG TABLET
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149071001	MACROBID 100 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000905	MACRODANTIN 100 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000987	MACRODANTIN 100 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000705	MACRODANTIN 25 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000805	MACRODANTIN 50 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000886	MACRODANTIN 50 MG CAPSULE
PROCTER AND GAMBLE PHARMACEUTICALS INC SUB PROCTER AND GAMBLE CO	00149000867	MACRODANTIN 50 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173067501	MALARONE 250-100 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173067601	MALARONE 62.5-25 MG PED TAB
WARNER CHILCOTT INC	00430016624	MANDELAMINE 500 MG TABLET
3M PHARMACEUTICALS	00089081521	MAXAIR AUTOHALER 0.2 MG AERO
MCR AMERICAN PHARMACEUTICALS INC	58605052001	MAXIFED 700/80 TABLET SA
MCR AMERICAN PHARMACEUTICALS INC	58605052601	MAXIFED DM TABLET SA
MCR AMERICAN PHARMACEUTICALS INC	58605051401	MAXIFED-G TABLET SA
OVATION PHARMACEUTICALS INC	67386080302	MEBARAL 100 MG TABLET
OVATION PHARMACEUTICALS INC	67386080102	MEBARAL 32 MG TABLET
OVATION PHARMACEUTICALS INC	67386080202	MEBARAL 50 MG TABLET
BERTEK PHARMACEUTICALS INC	82794015102	MENTAX 1% CREAM
BERTEK PHARMACEUTICALS INC	82794015103	MENTAX 1% CREAM
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173066518	MEPRON 750 MG/5 ML SUSPENSION
NOVARTIS PHARMACEUTICALS CORP	00078005405	METHERGINE 0.2 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078005303	METHERGINE 0.2 MG/ML AMPUL

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
3M PHARMACEUTICALS	00089020025	METROGEL-VAGINAL 0.75% GEL
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597006601	MEXITIL 150 MG CAPSULE
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597006701	MEXITIL 200 MG CAPSULE
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597006801	MEXITIL 250 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078031190	MIACALCIN 200 UNITS NASAL SPRA
ABBOTT LABORATORIES	00597003928	MICARDIS 20 MG TABLET
ABBOTT LABORATORIES	00597004028	MICARDIS 40 MG TABLET
ABBOTT LABORATORIES	00597004128	MICARDIS 80 MG TABLET
ABBOTT LABORATORIES	00597004328	MICARDIS HCT 40/12.5 MG TAB
ABBOTT LABORATORIES	00597004428	MICARDIS HCT 80/12.5 MG TAB
WATSON LABORATORIES INC	52544062201	MICROZIDE 12.5 MG CAPSULE
XCEL PHARMACEUTICALS	86490024598	MIGRANAL 4 MG/ML NASAL SPRAY
ORGANON USA INC	00052028106	MIRCETTE 28 DAY TABLET
ABBOTT LABORATORIES	00597003001	MOBIC 15 MG TABLET
ABBOTT LABORATORIES	00597002901	MOBIC 7.5 MG TABLET
JOHNSON & JOHNSON GROUP	00062171415	MODICON 28 TABLET
JOHNSON & JOHNSON GROUP	00107171427	MODICON 28 TABLET
JOHNSON & JOHNSON GROUP	00062543701	MONISTAT 3 200 MG VAG SUPP
JOHNSON & JOHNSON GROUP	00062543401	MONISTAT-DERM 2% CREAM
JOHNSON & JOHNSON GROUP	00062543402	MONISTAT-DERM 2% CREAM
JOHNSON & JOHNSON GROUP	00062543403	MONISTAT-DERM 2% CREAM
WATSON LABORATORIES INC	55515025904	MONODOX 100 MG CAPSULE
WATSON LABORATORIES INC	55515026006	MONODOX 50 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00087015846	MONOPRIL 10 MG TABLET
BRISTOL MYERS SQUIBB CO	00087015885	MONOPRIL 10 MG TABLET
BRISTOL MYERS SQUIBB CO	00087060942	MONOPRIL 20 MG TABLET
BRISTOL MYERS SQUIBB CO	00087060945	MONOPRIL 20 MG TABLET
BRISTOL MYERS SQUIBB CO	00087060985	MONOPRIL 20 MG TABLET
BRISTOL MYERS SQUIBB CO	00087120213	MONOPRIL 40 MG TABLET
BRISTOL MYERS SQUIBB CO	00087149201	MONOPRIL HCT 10/12.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087149301	MONOPRIL HCT 20/12.5 MG TABLET
FOREST PHARMACEUTICALS INC	00456430008	MONUROL 3 GM SACHET
JOHNSON & JOHNSON GROUP	17314940001	MYCELEX 10 MG TROCHE
JOHNSON & JOHNSON GROUP	17314940002	MYCELEX 10 MG TROCHE
JOHNSON & JOHNSON GROUP	17314940003	MYCELEX 10 MG TROCHE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173071325	MYLERAN 2 MG TABLET
SANOFI SYNTHELABO INC	00024128704	MYTELASE 10 MG CAPLET
HOFFMANN LA ROCHE INC	00004631301	NAPROSYN 250 MG TABLET
HOFFMANN LA ROCHE INC	00004631114	NAPROSYN 375 MG TABLET
HOFFMANN LA ROCHE INC	00004631014	NAPROSYN 500 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071027024	NARDIL 15 MG TABLET
MERRELL PHARMACEUTICALS INC	00075150616	NASACORT AQ NASAL SPRAY
MERRELL PHARMACEUTICALS INC	00075150543	NASACORT NASAL INHALER
SCHERING CORP	00085119701	NASONEX 50 MCG NASAL SPRAY
WARNER CHILCOTT INC	00430022723	NATACHEW TABLET CHEW
WARNER CHILCOTT INC	00430022640	NATAFORT TABLET
SANOFI SYNTHELABO INC	00024132203	NEGGGRAM 500 MG CAPLET
SANOFI SYNTHELABO INC	00024135901	NEO-SYNEPHRINE 10% EYE DROP
SANOFI SYNTHELABO INC	00024136201	NEO-SYNEPHRINE 10% EYE DROP
SANOFI SYNTHELABO INC	00024135801	NEO-SYNEPHRINE 2.5% EYE DRP
PFIZER LABORATORIES DIV PFIZER INC	00071080324	NEURONTIN 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071080340	NEURONTIN 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071080524	NEURONTIN 300 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071080540	NEURONTIN 300 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071080624	NEURONTIN 400 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071080640	NEURONTIN 400 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071041624	NEURONTIN 600 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071042624	NEURONTIN 600 MG TABLET
ASTRAZENECA LP	00186502031	NEXIUM 20 MG CAPSULE
ASTRAZENECA LP	00186502054	NEXIUM 20 MG CAPSULE
ASTRAZENECA LP	00186502082	NEXIUM 20 MG CAPSULE
ASTRAZENECA LP	00186502228	NEXIUM 20 MG CAPSULE
ASTRAZENECA LP	00186504031	NEXIUM 40 MG CAPSULE
ASTRAZENECA LP	00186504054	NEXIUM 40 MG CAPSULE
ASTRAZENECA LP	00186504082	NEXIUM 40 MG CAPSULE
ASTRAZENECA LP	00186504228	NEXIUM 40 MG CAPSULE
KOS PHARMACEUTICALS INC	80598000301	NIASPAN 1,000 MG TABLET SA
KOS PHARMACEUTICALS INC	80598000101	NIASPAN 500 MG TABLET SA
KOS PHARMACEUTICALS INC	80598000201	NIASPAN 750 MG TABLET SA
MERRELL PHARMACEUTICALS INC	00088111114	NILANDRON 150 MG TABLET
SCHERING CORP	00085331530	NITRO-DUR 0.3 MG/HR PATCH
SCHERING CORP	00085331535	NITRO-DUR 0.3 MG/HR PATCH
SCHERING CORP	00085081930	NITRO-DUR 0.8 MG/HR PATCH
SCHERING CORP	00085081935	NITRO-DUR 0.8 MG/HR PATCH
JOHNSON & JOHNSON GROUP	50458022115	NIZORAL 2% CREAM
JOHNSON & JOHNSON GROUP	50458022130	NIZORAL 2% CREAM
JOHNSON & JOHNSON GROUP	50458022160	NIZORAL 2% CREAM
JOHNSON & JOHNSON GROUP	50458022304	NIZORAL 2% SHAMPOO
JOHNSON & JOHNSON GROUP	50458022010	NIZORAL 200 MG TABLET
ASTRAZENECA LP	00310060018	NOLVADEX 10 MG TABLET
ASTRAZENECA LP	00310060060	NOLVADEX 10 MG TABLET
ASTRAZENECA LP	00310060075	NOLVADEX 10 MG TABLET
ASTRAZENECA LP	00310060412	NOLVADEX 20 MG TABLET
ASTRAZENECA LP	00310060430	NOLVADEX 20 MG TABLET
ASTRAZENECA LP	00310060490	NOLVADEX 20 MG TABLET
WATSON LABORATORIES INC	52544053901	NORCO 10/325 TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
WATSON LABORATORIES INC	52544053905	NORCO 10/325 TABLET
WATSON LABORATORIES INC	52544026528	NORINYL 1+50-28 TABLET
PFIZER LABORATORIES DIV PFIZER INC	00025275231	NORPACE 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025275252	NORPACE 100 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025276231	NORPACE 150 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025273231	NORPACE CR 100 MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025273234	NORPACE CR 100 MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025273251	NORPACE CR 100 MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025274231	NORPACE CR 150 MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025274234	NORPACE CR 150 MG CAPSULE SA
PFIZER LABORATORIES DIV PFIZER INC	00025274251	NORPACE CR 150 MG CAPSULE SA
MERRELL PHARMACEUTICALS INC	00088000701	NORPRAMIN 10 MG TABLET
MERRELL PHARMACEUTICALS INC	000880002001	NORPRAMIN 100 MG TABLET
MERRELL PHARMACEUTICALS INC	000880002150	NORPRAMIN 150 MG TABLET
MERRELL PHARMACEUTICALS INC	00088001101	NORPRAMIN 25 MG TABLET
MERRELL PHARMACEUTICALS INC	00088001501	NORPRAMIN 50 MG TABLET
MERRELL PHARMACEUTICALS INC	00088001901	NORPRAMIN 75 MG TABLET
JOHNSON & JOHNSON GROUP	00062190315	ORTHO TRI-CYCLEN 28 TABLET
JOHNSON & JOHNSON GROUP	00062179615	ORTHO-CEPT 28 DAY TABLET
JOHNSON & JOHNSON GROUP	00062190115	ORTHO-CYCLEN 28 TABLET
JOHNSON & JOHNSON GROUP	00062176115	ORTHO-NOVUM 1/35-28 TABLET
JOHNSON & JOHNSON GROUP	00107176104	ORTHO-NOVUM 1/35-28 TABLET
JOHNSON & JOHNSON GROUP	00107176107	ORTHO-NOVUM 1/35-28 TABLET
JOHNSON & JOHNSON GROUP	00107176127	ORTHO-NOVUM 1/35-28 TABLET
JOHNSON & JOHNSON GROUP	00062133215	ORTHO-NOVUM 1/50-28 TABLET
JOHNSON & JOHNSON GROUP	00062133220	ORTHO-NOVUM 1/50-28 TABLET
JOHNSON & JOHNSON GROUP	00107133207	ORTHO-NOVUM 1/50-28 TABLET
JOHNSON & JOHNSON GROUP	00107133227	ORTHO-NOVUM 1/50-28 TABLET
JOHNSON & JOHNSON GROUP	00062177115	ORTHO-NOVUM 10/11-28 TABLET
JOHNSON & JOHNSON GROUP	00062178115	ORTHO-NOVUM 7/7/7-28 TABLET
JOHNSON & JOHNSON GROUP	00062178120	ORTHO-NOVUM 7/7/7-28 TABLET
JOHNSON & JOHNSON GROUP	00062178122	ORTHO-NOVUM 7/7/7-28 TABLET
WARNER CHILCOTT INC	00430058214	OVCON-35 28 TABLET
WARNER CHILCOTT INC	00430058514	OVCON-50 28 TABLET
PAN AMERICAN LABORATORIES INC	00525942216	PANCOF HC LIQUID
PAN AMERICAN LABORATORIES INC	00525975816	PANCOF XP LIQUID
JOHNSON & JOHNSON GROUP	00045034260	PANCREASE MT 10 CAPSULE EC
JOHNSON & JOHNSON GROUP	00045034360	PANCREASE MT 16 CAPSULE EC
JOHNSON & JOHNSON GROUP	00045034660	PANCREASE MT 20 CAPSULE EC
JOHNSON & JOHNSON GROUP	00045034160	PANCREASE MT 4 CAPSULE EC
PAN AMERICAN LABORATORIES INC	00525079516	PANMIST DM SYRUP
PAN AMERICAN LABORATORIES INC	00525076801	PANMIST JR 595/48 TABLET
PAN AMERICAN LABORATORIES INC	00525079201	PANMIST LA 795/85 TABLET
JOHNSON & JOHNSON GROUP	00045032560	PARAFON FORTE DSC 500 MG CPT
NOVARTIS PHARMACEUTICALS CORP	00078001705	PARLODEL 2.5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078001715	PARLODEL 2.5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078010205	PARLODEL 5 MG CAPSULE
NOVARTIS PHARMACEUTICALS CORP	00078010215	PARLODEL 5 MG CAPSULE
SANOFI SYNTHELABO INC	00024150906	PEDIACOF LIQUID
ZYBER PHARMACEUTICAL INC	65224017516	PEDIATEX LIQUID
ZYBER PHARMACEUTICAL INC	65224045716	PEDIATEX-D LIQUID
ATLEY PHARMACEUTICALS INC	59702015201	PEDIOX CHEWABLE TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597001701	PERSANTINE 25 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597001801	PERSANTINE 50 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597001901	PERSANTINE 75 MG TABLET
SANOFI SYNTHELABO INC	00024153502	PHISOHEX 3% CLEANSER
SANOFI SYNTHELABO INC	00024153506	PHISOHEX 3% CLEANSER
SANOFI SYNTHELABO INC	00024153508	PHISOHEX 3% CLEANSER
SANOFI SYNTHELABO INC	00024153524	PHISOHEX 3% CLEANSER
SANOFI SYNTHELABO INC	00024153548	PHISOHEX 3% CLEANSER
SANOFI SYNTHELABO INC	00024156210	PLAQUENIL 200 MG TABLET
BRISTOL MYERS SQUIBB CO	63653117101	PLAVIX 75 MG TABLET
BRISTOL MYERS SQUIBB CO	63653117103	PLAVIX 75 MG TABLET
BRISTOL MYERS SQUIBB CO	63653117105	PLAVIX 75 MG TABLET
BRISTOL MYERS SQUIBB CO	63653117106	PLAVIX 75 MG TABLET
ASTRAZENECA LP	00186045228	PLENDIL 10 MG TABLET SA
ASTRAZENECA LP	00186045231	PLENDIL 10 MG TABLET SA
ASTRAZENECA LP	00186045258	PLENDIL 10 MG TABLET SA
ASTRAZENECA LP	00186045028	PLENDIL 2.5 MG TABLET SA
ASTRAZENECA LP	00186045031	PLENDIL 2.5 MG TABLET SA
ASTRAZENECA LP	00186045058	PLENDIL 2.5 MG TABLET SA
ASTRAZENECA LP	00186045128	PLENDIL 5 MG TABLET SA
ASTRAZENECA LP	00186045131	PLENDIL 5 MG TABLET SA
ASTRAZENECA LP	00186045158	PLENDIL 5 MG TABLET SA
JOHNSON & JOHNSON GROUP	17314932201	POLYCITRA SYRUP
JOHNSON & JOHNSON GROUP	17314932001	POLYCITRA-K CRYSTALS PACKET
JOHNSON & JOHNSON GROUP	17314932101	POLYCITRA-K SOLUTION
JOHNSON & JOHNSON GROUP	17314932301	POLYCITRA-LC SOLUTION S/F
BRISTOL MYERS SQUIBB CO	00087048741	POLY-VI-FLOR 0.25 MG TAB CHW
BRISTOL MYERS SQUIBB CO	00087048841	POLY-VI-FLOR 0.5 MG TABLET
BRISTOL MYERS SQUIBB CO	00087047402	POLY-VI-FLOR 1 MG TABLET
BRISTOL MYERS SQUIBB CO	00087048841	POLY-VI-FLOR/IRON 0.25 MG TB
FERNDALE LABORATORIES INC	00496071603	PRAMOSONE 1% CREAM
FERNDALE LABORATORIES INC	00496071604	PRAMOSONE 1% CREAM
FERNDALE LABORATORIES INC	00496072903	PRAMOSONE 1% LOTION
FERNDALE LABORATORIES INC	00496072904	PRAMOSONE 1% LOTION

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FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
FERNDALE LABORATORIES INC	00496072806	PRAMOSONE 1% LOTION
FERNDALE LABORATORIES INC	00496076304	PRAMOSONE 1% OINTMENT
FERNDALE LABORATORIES INC	00496071703	PRAMOSONE 2.5% CREAM
FERNDALE LABORATORIES INC	00496071704	PRAMOSONE 2.5% CREAM
FERNDALE LABORATORIES INC	00496072804	PRAMOSONE 2.5% LOTION
FERNDALE LABORATORIES INC	00496072806	PRAMOSONE 2.5% LOTION
FERNDALE LABORATORIES INC	00496077704	PRAMOSONE 2.5% OINTMENT
NOVO NORDISK PHARMACEUTICAL INDUSTRIES INC	00169008181	PRANDIN 0.5 MG TABLET
NOVO NORDISK PHARMACEUTICAL INDUSTRIES INC	00169008281	PRANDIN 1 MG TABLET
NOVO NORDISK PHARMACEUTICAL INDUSTRIES INC	00169008481	PRANDIN 2 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026286251	PRECOSE 100 MG TABLET
BAYER CORP PHARMACEUTICAL DIV	00026286148	PRECOSE 50 MG TABLET
MONARCH PHARMACEUTICALS INC	61570012563	PREFEST TABLET
FIRST HORIZON PHARMACEUTICAL CORP	59630042090	PRENATE ADVANCE TABLET
TAP PHARMACEUTICALS INC	00300154111	PREVACID 15 MG CAPSULE DR
TAP PHARMACEUTICALS INC	00300154119	PREVACID 15 MG CAPSULE DR
TAP PHARMACEUTICALS INC	00300154130	PREVACID 15 MG CAPSULE DR
TAP PHARMACEUTICALS INC	00300730930	PREVACID 15 MG SUSPENSION DR
TAP PHARMACEUTICALS INC	00300304611	PREVACID 30 MG CAPSULE DR
TAP PHARMACEUTICALS INC	00300304613	PREVACID 30 MG CAPSULE DR
TAP PHARMACEUTICALS INC	00300304619	PREVACID 30 MG CAPSULE OR
TAP PHARMACEUTICALS INC	00300731130	PREVACID 30 MG SUSPENSION DR
MERRELL PHARMACEUTICALS INC	00088210003	PRIFTIN 150 MG TABLET
ASTRAZENECA LP	00186060628	PRILOSEC 10 MG CAPSULE DR
ASTRAZENECA LP	00186060631	PRILOSEC 10 MG CAPSULE DR
ASTRAZENECA LP	00186060668	PRILOSEC 10 MG CAPSULE DR
ASTRAZENECA LP	00186060682	PRILOSEC 10 MG CAPSULE DR
ASTRAZENECA LP	00186074228	PRILOSEC 20 MG CAPSULE DR
ASTRAZENECA LP	00186074231	PRILOSEC 20 MG CAPSULE DR
ASTRAZENECA LP	00186074282	PRILOSEC 20 MG CAPSULE DR
ASTRAZENECA LP	00186074326	PRILOSEC 40 MG CAPSULE DR
ASTRAZENECA LP	00186074331	PRILOSEC 40 MG CAPSULE DR
ASTRAZENECA LP	00186074368	PRILOSEC 40 MG CAPSULE DR
ASTRAZENECA LP	00186074382	PRILOSEC 40 MG CAPSULE DR
SANOFI SYNTHELABO INC	00024159601	PRIMAQUINE 26.3 MG TABLET
MERCK AND CO INC	00006010628	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010631	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010658	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010672	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010682	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010687	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006010694	PRINIVIL 10 MG TABLET
MERCK AND CO INC	00006001528	PRINIVIL 2.5 MG TABLET
MERCK AND CO INC	00006001531	PRINIVIL 2.5 MG TABLET
MERCK AND CO INC	00006001558	PRINIVIL 2.5 MG TABLET
MERCK AND CO INC	00006020728	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020731	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020758	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020772	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020782	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020787	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006020794	PRINIVIL 20 MG TABLET
MERCK AND CO INC	00006023758	PRINIVIL 40 MG TABLET
MERCK AND CO INC	00006001928	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001958	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001982	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001986	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001987	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001994	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006001972	PRINIVIL 5 MG TABLET
MERCK AND CO INC	00006014531	PRINZIDE 10/12.5 TABLET
MERCK AND CO INC	00006014558	PRINZIDE 10/12.5 TABLET
MERCK AND CO INC	00006014031	PRINZIDE 20/12.5 TABLET
MERCK AND CO INC	00006014058	PRINZIDE 20/12.5 TABLET
MERCK AND CO INC	00006014231	PRINZIDE 20/25 TABLET
MERCK AND CO INC	00006014258	PRINZIDE 20/25 TABLET
WYETH DIV WYETH PHARMACEUTICALS INC	00006064181	PROTONIX 40 MG TABLET EC
WYETH DIV WYETH PHARMACEUTICALS INC	00006064199	PROTONIX 40 MG TABLET EC
SCHERING CORP	00085061402	PROVENTIL 90 MCG INHALER
SCHERING CORP	00085113201	PROVENTIL HFA 90 MCG INHALER
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310402	PROZAC 10 MG PULVULE
ELI LILLY AND CO	00002400602	PROZAC 10 MG TABLET
ELI LILLY AND CO	00002400630	PROZAC 10 MG TABLET
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310501	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310502	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310507	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310530	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310533	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310581	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310582	PROZAC 20 MG PULVULE
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777512058	PROZAC 20 MG/5 ML SOLUTION
DISTA PRODUCTS CO DIV ELI LILLY AND CO	00777310730	PROZAC 40 MG PULVULE
ELI LILLY AND CO	00002300475	PROZAC WEEKLY 90 MG CAPSULE
ASTRAZENECA LP	00186091542	PULMICORT 200 MCG TURBUHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	57844052207	PURINETHOL 50 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	57844052252	PURINETHOL 50 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
WARNER CHILCOTT INC	00430018124	PYRIDUM 200 MG TABLET
WARNER CHILCOTT INC	00430018215	PYRIDUM PLUS TABLET
BERLEX INC	50419010110	QUINAGLUTE DURA-TABS 324 MG
BERLEX INC	50419010111	QUINAGLUTE DURA-TABS 324 MG
BERLEX INC	50419010125	QUINAGLUTE DURA-TABS 324 MG
BERLEX INC	50419010150	QUINAGLUTE DURA-TABS 324 MG
SCHERING CORP	00085119403	REBETOL 200 MG CAPSULE
SCHERING CORP	00085132704	REBETOL 200 MG CAPSULE
SCHERING CORP	00085135105	REBETOL 200 MG CAPSULE
SCHERING CORP	00085138507	REBETOL 200 MG CAPSULE
JOHNSON & JOHNSON GROUP	00045081015	REGRANEX 0.01% GEL
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068101	RELENZA 5 MG DISKHALER
ORGANON USA INC	00052010530	REMERON 15 MG TABLET
ORGANON USA INC	00052010590	REMERON 15 MG TABLET
ORGANON USA INC	00052010730	REMERON 30 MG TABLET
ORGANON USA INC	00052010790	REMERON 30 MG TABLET
ORGANON USA INC	00052010930	REMERON 45 MG TABLET
JOHNSON & JOHNSON GROUP	50458039280	REMINYL 12 MG TABLET
JOHNSON & JOHNSON GROUP	50458039060	REMINYL 4 MG TABLET
JOHNSON & JOHNSON GROUP	50458039910	REMINYL 4 MG/ML ORAL SOL
JOHNSON & JOHNSON GROUP	50458039160	REMINYL 8 MG TABLET
JOHNSON & JOHNSON GROUP	00062018702	RENOVA 0.02% CREAM
JOHNSON & JOHNSON GROUP	00062018503	RENOVA 0.05% CREAM
JOHNSON & JOHNSON GROUP	00062018505	RENOVA 0.05% CREAM
JOHNSON & JOHNSON GROUP	00062057544	RETIN-A 0.01% GEL
JOHNSON & JOHNSON GROUP	00062057546	RETIN-A 0.01% GEL
JOHNSON & JOHNSON GROUP	00062016501	RETIN-A 0.025% CREAM
JOHNSON & JOHNSON GROUP	00062016502	RETIN-A 0.025% CREAM
JOHNSON & JOHNSON GROUP	00062047542	RETIN-A 0.025% GEL
JOHNSON & JOHNSON GROUP	00062047545	RETIN-A 0.025% GEL
JOHNSON & JOHNSON GROUP	00062017512	RETIN-A 0.05% CREAM
JOHNSON & JOHNSON GROUP	00062017513	RETIN-A 0.05% CREAM
JOHNSON & JOHNSON GROUP	00062007507	RETIN-A 0.05% LIQUID
JOHNSON & JOHNSON GROUP	00062027501	RETIN-A 0.1% CREAM
JOHNSON & JOHNSON GROUP	00062027523	RETIN-A 0.1% CREAM
JOHNSON & JOHNSON GROUP	00062019002	RETIN-A MICRO 0.1% GEL
JOHNSON & JOHNSON GROUP	00062019003	RETIN-A MICRO 0.1% GEL
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173011318	RETROVIR 10 MG/ML SYRUP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173010855	RETROVIR 100 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173010856	RETROVIR 100 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173050100	RETROVIR 300 MG TABLET
ASTRAZENECA LP	00186107509	RHINOCORT NASAL INHALER
PROMETHEUS LABORATORIES INC	65483009306	RIDAURA 3 MG CAPSULE
MERRELL PHARMACEUTICALS INC	00068051030	RIFADIN 150 MG CAPSULE
MERRELL PHARMACEUTICALS INC	00068050830	RIFADIN 300 MG CAPSULE
MERRELL PHARMACEUTICALS INC	00068050880	RIFADIN 300 MG CAPSULE
MERRELL PHARMACEUTICALS INC	00068050881	RIFADIN 300 MG CAPSULE
MERRELL PHARMACEUTICALS INC	00068050960	RIFAMATE CAPSULE
MERRELL PHARMACEUTICALS INC	00068057641	RIFATER TABLET
JOHNSON & JOHNSON GROUP	50458030104	RISPERDAL 0.25 MG TABLET
JOHNSON & JOHNSON GROUP	50458030150	RISPERDAL 0.25 MG TABLET
JOHNSON & JOHNSON GROUP	50458030206	RISPERDAL 0.5 MG TABLET
JOHNSON & JOHNSON GROUP	50458030250	RISPERDAL 0.5 MG TABLET
JOHNSON & JOHNSON GROUP	50458030001	RISPERDAL 1 MG TABLET
JOHNSON & JOHNSON GROUP	50458030006	RISPERDAL 1 MG TABLET
JOHNSON & JOHNSON GROUP	50458030050	RISPERDAL 1 MG TABLET
JOHNSON & JOHNSON GROUP	50458030503	RISPERDAL 1 MG/ML SOLUTION
JOHNSON & JOHNSON GROUP	50458032001	RISPERDAL 2 MG TABLET
JOHNSON & JOHNSON GROUP	50458032006	RISPERDAL 2 MG TABLET
JOHNSON & JOHNSON GROUP	50458032050	RISPERDAL 2 MG TABLET
JOHNSON & JOHNSON GROUP	50458033001	RISPERDAL 3 MG TABLET
JOHNSON & JOHNSON GROUP	50458033006	RISPERDAL 3 MG TABLET
JOHNSON & JOHNSON GROUP	50458033050	RISPERDAL 3 MG TABLET
JOHNSON & JOHNSON GROUP	50458035001	RISPERDAL 4 MG TABLET
JOHNSON & JOHNSON GROUP	50458035006	RISPERDAL 4 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083000330	RITALIN 10 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083000430	RITALIN 20 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083000730	RITALIN 5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083001630	RITALIN-SR 20 MG TABLET SA
HOFFMANN LA ROCHE INC	00004014301	ROCALTRON 0.25 MCG CAPSULE
HOFFMANN LA ROCHE INC	00004014323	ROCALTRON 0.25 MCG CAPSULE
HOFFMANN LA ROCHE INC	00004014401	ROCALTRON 0.5 MCG CAPSULE
HOFFMANN LA ROCHE INC	00004911500	ROCALTRON 1 MCG/ML ORAL SOLN
NOVARTIS PHARMACEUTICALS CORP	00078005805	SANSERT 2 MG TABLET
ELI LILLY AND CO	00430043514	SARAFEM 10 MG PULVULE
ELI LILLY AND CO	00430043614	SARAFEM 20 MG PULVULE
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597002001	SERENTIL 10 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597002301	SERENTIL 100 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597002101	SERENTIL 25 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597002504	SERENTIL 25 MG/ML ORAL CONC
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173046400	SEREVENT 21 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173046700	SEREVENT 21 MCG INHALER
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173046500	SEREVENT 21 MCG INHLR REFILL
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052000	SEREVENT DISKUS 50 MCG
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173052100	SEREVENT DISKUS 50 MCG
ASTRAZENECA LP	00310027110	SEROQUEL 100 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
ASTRAZENECA LP	00310027139	SEROQUEL 100 MG TABLET
ASTRAZENECA LP	00310027210	SEROQUEL 200 MG TABLET
ASTRAZENECA LP	00310027239	SEROQUEL 200 MG TABLET
ASTRAZENECA LP	00310027510	SEROQUEL 25 MG TABLET
ASTRAZENECA LP	00310027539	SEROQUEL 25 MG TABLET
ASTRAZENECA LP	00310027439	SEROQUEL 300 MG TABLET
ASTRAZENECA LP	00310027460	SEROQUEL 300 MG TABLET
BRISTOL MYERS SQUIBB CO	00087003231	SERZONE 100 MG TABLET
BRISTOL MYERS SQUIBB CO	00087003931	SERZONE 150 MG TABLET
BRISTOL MYERS SQUIBB CO	00087003331	SERZONE 200 MG TABLET
BRISTOL MYERS SQUIBB CO	00087004131	SERZONE 250 MG TABLET
BRISTOL MYERS SQUIBB CO	00087003147	SERZONE 50 MG TABLET
SANOFI SYNTHELABO INC	00024180018	SKELID 200 MG TABLET
HOFFMANN LA ROCHE INC	00004028857	SORIATANE 10 MG CAPSULE
HOFFMANN LA ROCHE INC	83032009125	SORIATANE 25 MG CAPSULE
JOHNSON & JOHNSON GROUP	00082548001	SPECTAZOLE 1% CREAM
JOHNSON & JOHNSON GROUP	00082548002	SPECTAZOLE 1% CREAM
JOHNSON & JOHNSON GROUP	00082548003	SPECTAZOLE 1% CREAM
JOHNSON & JOHNSON GROUP	50458029515	SPORANOX 10 MG/ML SOLUTION
JOHNSON & JOHNSON GROUP	50458029001	SPORANOX 100 MG CAPSULE
JOHNSON & JOHNSON GROUP	50458029004	SPORANOX 100 MG CAPSULE
JOHNSON & JOHNSON GROUP	50458029028	SPORANOX 100 MG CAPSULE
SCOT TUSSIN PHARMACAL CO INC	00372004818	S-T FORTE 2 LIQUID S/F
BRISTOL MYERS SQUIBB CO	00087565041	STADOL NS 10 MG/ML SPRAY
NOVARTIS PHARMACEUTICALS CORP	00078035205	STARLIX 120 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078035105	STARLIX 80 MG TABLET
FIRST HORIZON PHARMACEUTICAL CORP	59630044010	SULAR 10 MG TABLET
FIRST HORIZON PHARMACEUTICAL CORP	00310089139	SULAR 10 MG TABLET SA
FIRST HORIZON PHARMACEUTICAL CORP	59630044110	SULAR 20 MG TABLET
FIRST HORIZON PHARMACEUTICAL CORP	00310089239	SULAR 20 MG TABLET SA
FIRST HORIZON PHARMACEUTICAL CORP	59630044210	SULAR 30 MG TABLET
FIRST HORIZON PHARMACEUTICAL CORP	00310089339	SULAR 30 MG TABLET SA
FIRST HORIZON PHARMACEUTICAL CORP	59630044310	SULAR 40 MG TABLET
BAXTER HEALTHCARE CORP	10019064124	SUPRANE INHALATION LIQUID
ODYSSEY PHARMACEUTICALS INC	85473072001	SURMONTIL 100 MG CAPSULE
ODYSSEY PHARMACEUTICALS INC	65473071801	SURMONTIL 25 MG CAPSULE
ODYSSEY PHARMACEUTICALS INC	65473071901	SURMONTIL 50 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00056047330	SUSTIVA 100 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00056047492	SUSTIVA 200 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00056047030	SUSTIVA 50 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00025018608	SYNAREL 2 MG/ML NASAL SPRAY
SANOFI SYNTHELABO INC	00024183704	TALACEN CAPLET
SANOFI SYNTHELABO INC	00024195104	TALWIN NX TABLET
3M PHARMACEUTICALS	00089030710	TAMBOCOR 100 MG TABLET
3M PHARMACEUTICALS	00089031410	TAMBOCOR 150 MG TABLET
3M PHARMACEUTICALS	00089030510	TAMBOCOR 50 MG TABLET
HOFFMANN LA ROCHE INC	00004080085	TAMIFLU 75 MG GELCAP
HOFFMANN LA ROCHE INC	00004081095	TAMIFLU ORAL SUSPENSION
HOFFMANN LA ROCHE INC	00004592001	TASMAR 100 MG TABLET
HOFFMANN LA ROCHE INC	00004592101	TASMAR 200 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083005230	TEGRETOL 100 MG TABLET CHEW
NOVARTIS PHARMACEUTICALS CORP	00083005232	TEGRETOL 100 MG TABLET CHEW
NOVARTIS PHARMACEUTICALS CORP	00083001976	TEGRETOL 100 MG/5 ML SUSP
NOVARTIS PHARMACEUTICALS CORP	00083002730	TEGRETOL 200 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083002732	TEGRETOL 200 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083002740	TEGRETOL 200 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083006130	TEGRETOL XR 100 MG TABLET SA
NOVARTIS PHARMACEUTICALS CORP	00083006230	TEGRETOL XR 200 MG TABLET SA
NOVARTIS PHARMACEUTICALS CORP	00083006030	TEGRETOL XR 400 MG TABLET SA
SCHERING CORP	00085125901	TEMODAR 100 MG CAPSULE
SCHERING CORP	00085125902	TEMODAR 100 MG CAPSULE
SCHERING CORP	00085124401	TEMODAR 20 MG CAPSULE
SCHERING CORP	00085124402	TEMODAR 20 MG CAPSULE
SCHERING CORP	00085125201	TEMODAR 250 MG CAPSULE
SCHERING CORP	00085125202	TEMODAR 250 MG CAPSULE
SCHERING CORP	00085124801	TEMODAR 5 MG CAPSULE
SCHERING CORP	00085124602	TEMODAR 5 MG CAPSULE
ELAN PHARMACEUTICALS INC	00173043201	TEMOVATE 0.05% SOLUTION
ASTRAZENECA LP	00310011710	TENORETIC 100 TABLET
ASTRAZENECA LP	00310011510	TENORETIC 50 TABLET
ASTRAZENECA LP	00310010110	TENORMIN 100 MG TABLET
ASTRAZENECA LP	00310010710	TENORMIN 25 MG TABLET
ASTRAZENECA LP	00310010510	TENORMIN 50 MG TABLET
ASTRAZENECA LP	00310010534	TENORMIN 50 MG TABLET
MERRELL PHARMACEUTICALS INC	00088069781	TENUATE 25 MG TABLET
MERRELL PHARMACEUTICALS INC	00088069881	TENUATE DOSPAN 75 MG TAB SA
MERRELL PHARMACEUTICALS INC	00088069882	TENUATE DOSPAN 75 MG TAB SA
BRISTOL MYERS SQUIBB CO	00015111750	TEQUIN 200 MG TABLET
BRISTOL MYERS SQUIBB CO	00015111780	TEQUIN 200 MG TABLET
BRISTOL MYERS SQUIBB CO	00015111760	TEQUIN 400 MG TABLET
BRISTOL MYERS SQUIBB CO	00015111780	TEQUIN 400 MG TABLET
JOHNSON & JOHNSON GROUP	00062535101	TERAZOL 3 80 MG SUPPOSITORY
JOHNSON & JOHNSON GROUP	00062535601	TERAZOL 3 CREAM
JOHNSON & JOHNSON GROUP	00062535001	TERAZOL 7 CREAM
FOREST PHARMACEUTICALS INC	00456089801	TESSALON 200 MG CAPSULE
FOREST PHARMACEUTICALS INC	00456088801	TESSALON PERLE 100 MG CAP

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
FOREST PHARMACEUTICALS INC	00458068802	TESSALON PERLE 100 MG CAP
JOHNSON & JOHNSON GROUP	17314480803	TESTODERM 4 MG/24HR PATCH
JOHNSON & JOHNSON GROUP	17314283603	TESTODERM 6 MG/24HR PATCH
JOHNSON & JOHNSON GROUP	17314460903	TESTODERM 6 MG/24HR PATCH
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173088025	THIOGUANINE TABLOID 40 MG TB
FOREST PHARMACEUTICALS INC	00458005001	THYROLAR-1 STRENGTH TABLET
FOREST PHARMACEUTICALS INC	00458004501	THYROLAR-1/2 STRENGTH TAB
FOREST PHARMACEUTICALS INC	00458004001	THYROLAR-1/4 STRENGTH TAB
FOREST PHARMACEUTICALS INC	00458005501	THYROLAR-2 STRENGTH TABLET
FOREST PHARMACEUTICALS INC	00458006001	THYROLAR-3 STRENGTH TABLET
JOHNSON & JOHNSON GROUP	00045041660	TOLECTIN 600 MG TABLET
JOHNSON & JOHNSON GROUP	00045041460	TOLECTIN DS 400 MG CAPSULE
ASTRAZENECA LP	00188070768	TONOCARD 400 MG TABLET
ASTRAZENECA LP	00188070968	TONOCARD 800 MG TABLET
JOHNSON & JOHNSON GROUP	00045064165	TOPAMAX 100 MG TABLET
JOHNSON & JOHNSON GROUP	00045064765	TOPAMAX 15 MG SPRINKLE CAP
JOHNSON & JOHNSON GROUP	00045064265	TOPAMAX 200 MG TABLET
JOHNSON & JOHNSON GROUP	00045064565	TOPAMAX 25 MG SPRINKLE CAP
JOHNSON & JOHNSON GROUP	00045063965	TOPAMAX 25 MG TABLET
ASTRAZENECA LP	00188109205	TOPROL XL 100 MG TABLET SA
ASTRAZENECA LP	00188108805	TOPROL XL 25 MG TABLET SA
ASTRAZENECA LP	00188109005	TOPROL XL 50 MG TABLET SA
HOFFMANN LA ROCHE INC	00004027301	TORADOL 10 MG TABLET
ROXANE LABORATORIES INC	00054474825	TORECAN 10 MG TABLET
PROMETHEUS LABORATORIES INC	65483039110	TRANDATE 100 MG TABLET
PROMETHEUS LABORATORIES INC	65483039111	TRANDATE 100 MG TABLET
PROMETHEUS LABORATORIES INC	65483039150	TRANDATE 100 MG TABLET
PROMETHEUS LABORATORIES INC	65483039210	TRANDATE 200 MG TABLET
PROMETHEUS LABORATORIES INC	65483039222	TRANDATE 200 MG TABLET
PROMETHEUS LABORATORIES INC	65483039250	TRANDATE 200 MG TABLET
PROMETHEUS LABORATORIES INC	65483039310	TRANDATE 300 MG TABLET
PROMETHEUS LABORATORIES INC	65483039333	TRANDATE 300 MG TABLET
PROMETHEUS LABORATORIES INC	65483039350	TRANDATE 300 MG TABLET
MERRELL PHARMACEUTICALS INC	00039007810	TRENTAL 400 MG TABLET SA
MERRELL PHARMACEUTICALS INC	00039007811	TRENTAL 400 MG TABLET SA
NOVARTIS PHARMACEUTICALS CORP	00078033805	TRILEPTAL 150 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078033806	TRILEPTAL 150 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078033705	TRILEPTAL 300 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078033706	TRILEPTAL 300 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078035752	TRILEPTAL 300 MG/5 ML SUSP
NOVARTIS PHARMACEUTICALS CORP	00078033805	TRILEPTAL 600 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00078033806	TRILEPTAL 600 MG TABLET
PURDUE PHARMACEUTICAL PRODUCTS LP	00034051080	TRILISATE 1,000 MG TABLET
PURDUE PHARMACEUTICAL PRODUCTS LP	00034050050	TRILISATE 500 MG TABLET
PURDUE PHARMACEUTICAL PRODUCTS LP	00034050080	TRILISATE 500 MG TABLET
PURDUE PHARMACEUTICAL PRODUCTS LP	00034050550	TRILISATE 750 MG TABLET
PURDUE PHARMACEUTICAL PRODUCTS LP	00034050580	TRILISATE 750 MG TABLET
SCHERING CORP	00085070304	TRINALIN REPETABS
WATSON LABORATORIES INC	52544027428	TRI-NORINYL 28 TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173069100	TRIZIVIR TABLET
SCOT TUSSIN PHARMACAL CO INC	00372001816	TUSSIREX S/F LIQUID
SCOT TUSSIN PHARMACAL CO INC	00372001716	TUSSIREX SYRUP
JOHNSON & JOHNSON GROUP	00045051360	TYLENOL W/CODEINE #3 TABLET
JOHNSON & JOHNSON GROUP	00045051370	TYLENOL W/CODEINE #3 TABLET
JOHNSON & JOHNSON GROUP	00045051372	TYLENOL W/CODEINE #3 TABLET
JOHNSON & JOHNSON GROUP	00045051373	TYLENOL W/CODEINE #3 TABLET
JOHNSON & JOHNSON GROUP	00045051380	TYLENOL W/CODEINE #3 TABLET
JOHNSON & JOHNSON GROUP	00045051560	TYLENOL W/CODEINE #4 TABLET
JOHNSON & JOHNSON GROUP	00045051570	TYLENOL W/CODEINE #4 TABLET
JOHNSON & JOHNSON GROUP	00045050816	TYLENOL W/CODEINE ELIXIR
JOHNSON & JOHNSON GROUP	00045052680	TYLOX 5/500 CAPSULE
JOHNSON & JOHNSON GROUP	00045052679	TYLOX 5/500 CAPSULE
JOHNSON & JOHNSON GROUP	00045065010	ULTRACET TABLET
JOHNSON & JOHNSON GROUP	00045065080	ULTRACET TABLET
JOHNSON & JOHNSON GROUP	00045065910	ULTRAM 50 MG TABLET
JOHNSON & JOHNSON GROUP	00045065960	ULTRAM 50 MG TABLET
JOHNSON & JOHNSON GROUP	00045065970	ULTRAM 50 MG TABLET
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072140015	ULTRAVATE 0.05% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072140050	ULTRAVATE 0.05% CREAM
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072145015	ULTRAVATE 0.05% OINTMENT
WESTWOOD SQUIBB PHARMACEUTICALS INC	00072145050	ULTRAVATE 0.05% OINTMENT
ODYSSEY PHARMACEUTICALS INC	65473070301	URECHOLINE 10 MG TABLET
ODYSSEY PHARMACEUTICALS INC	65473070401	URECHOLINE 25 MG TABLET
ODYSSEY PHARMACEUTICALS INC	65473069701	URECHOLINE 5 MG TABLET
ODYSSEY PHARMACEUTICALS INC	65473070001	URECHOLINE 50 MG TABLET
JOHNSON & JOHNSON GROUP	17314922001	URISPAS 100 MG TABLET
HOFFMANN LA ROCHE INC	00004003822	VALCYTE 450 MG TABLET
HOFFMANN LA ROCHE INC	00140000601	VALIUM 10 MG TABLET
HOFFMANN LA ROCHE INC	00140000614	VALIUM 10 MG TABLET
HOFFMANN LA ROCHE INC	00140000401	VALIUM 2 MG TABLET
HOFFMANN LA ROCHE INC	00140000501	VALIUM 5 MG TABLET
HOFFMANN LA ROCHE INC	00140000514	VALIUM 5 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173065802	VALTREX 1 GM CAPLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173063303	VALTREX 500 MG CAPLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173063356	VALTREX 500 MG CAPLET
SCHERING CORP	00085073804	VANCERIL INHALER

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FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
ELI LILLY AND CO	00002312542	VANCOCIN HCL 125 MG PULVULE
ELI LILLY AND CO	00002312642	VANCOCIN HCL 250 MG PULVULE
WOMEN FIRST HEALTHCARE INC	64248015030	VANIQA 13.9% CREAM
JOHNSON & JOHNSON GROUP	00045068233	VASCOR 200 MG TABLET
JOHNSON & JOHNSON GROUP	00045068333	VASCOR 300 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173032198	VENTOLIN 90 MCG INH REFILL
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173032188	VENTOLIN 90 MCG INHALER
BRISTOL MYERS SQUIBB CO	00015309145	VEPESID 50 MG CAPSULE
HOFFMANN LA ROCHE INC	00004018851	VERSED 10 MG/5 ML SYRUP
HOFFMANN LA ROCHE INC	00004025001	VESANOID 10 MG CAPSULE
BRISTOL MYERS SQUIBB CO	00087661443	VIDEX 100 MG PACKET
BRISTOL MYERS SQUIBB CO	00087665201	VIDEX 100 MG TABLET CHEWABLE
BRISTOL MYERS SQUIBB CO	00087665301	VIDEX 150 MG TABLET CHEWABLE
BRISTOL MYERS SQUIBB CO	00087661543	VIDEX 187 MG PACKET
BRISTOL MYERS SQUIBB CO	00087663241	VIDEX 2 GM PEDIATRIC SOLN
BRISTOL MYERS SQUIBB CO	00087668515	VIDEX 200 MG TABLET CHEWABLE
BRISTOL MYERS SQUIBB CO	00087665001	VIDEX 25 MG TABLET CHEWABLE
BRISTOL MYERS SQUIBB CO	00087661843	VIDEX 250 MG PACKET
BRISTOL MYERS SQUIBB CO	00087663341	VIDEX 4 GM PEDIATRIC SOLN
BRISTOL MYERS SQUIBB CO	00087665101	VIDEX 50 MG TABLET CHEWABLE
BRISTOL MYERS SQUIBB CO	00087667117	VIDEX EC 125 MG CAP SA
BRISTOL MYERS SQUIBB CO	00087667217	VIDEX EC 200 MG CAP SA
BRISTOL MYERS SQUIBB CO	00087667317	VIDEX EC 250 MG CAP SA
BRISTOL MYERS SQUIBB CO	00087667417	VIDEX EC 400 MG CAP SA
AGOURON PHARMACEUTICALS INC	63010001030	VIRACEPT 250 MG TABLET
AGOURON PHARMACEUTICALS INC	63010001190	VIRACEPT POWDER
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597004601	VIRAMUNE 200 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597004600	VIRAMUNE 200 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597004661	VIRAMUNE 200 MG TABLET
BOEHRINGER INGELHEIM PHARMACEUTICALS INC	00597004724	VIRAMUNE 50 MG/5 ML SUSP
PEDIAMED TM PHARMACEUTICALS INC	66346003158	VIRAVAN-S SUSPENSION
PEDIAMED TM PHARMACEUTICALS INC	66346003165	VIRAVAN-S SUSPENSION
PEDIAMED TM PHARMACEUTICALS INC	66346003223	VIRAVAN-T TABLET CHEWABLE
GILEAD SCIENCES INC	61958040101	VIREAD 300 MG TABLET
ODYSSEY PHARMACEUTICALS INC	65473070201	VIVACTIL 10 MG TABLET
ODYSSEY PHARMACEUTICALS INC	65473070101	VIVACTIL 5 MG TABLET
NOVARTIS PHARMACEUTICALS CORP	00083232508	VIVELLE 0.0375 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083232562	VIVELLE 0.0375 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083232708	VIVELLE 0.075 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00083232762	VIVELLE 0.075 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034342	VIVELLE-DOT 0.0375 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034345	VIVELLE-DOT 0.0375 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034442	VIVELLE-DOT 0.05 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034445	VIVELLE-DOT 0.05 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034542	VIVELLE-DOT 0.075 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034545	VIVELLE-DOT 0.075 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034642	VIVELLE-DOT 0.1 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00078034645	VIVELLE-DOT 0.1 MG PATCH
NOVARTIS PHARMACEUTICALS CORP	00028025801	VOLTAREN 25 MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028005801	VOLTAREN 25MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028026201	VOLTAREN 50 MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028016201	VOLTAREN 50MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028026401	VOLTAREN 75 MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028016401	VOLTAREN 75MG TABLET EC
NOVARTIS PHARMACEUTICALS CORP	00028020501	VOLTAREN-XR 100 MG TABLET SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173017855	WELLBUTRIN 100 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173017755	WELLBUTRIN 75 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173094755	WELLBUTRIN SR 100 MG TAB SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173013555	WELLBUTRIN SR 150 MG TAB SA
OVATION PHARMACEUTICALS INC	00024225304	WINSTROL 2 MG TABLET
HOFFMANN LA ROCHE INC	00004110051	XELODA 150 MG TABLET
HOFFMANN LA ROCHE INC	00004110116	XELODA 500 MG TABLET
HOFFMANN LA ROCHE INC	00004025652	XENICAL 120 MG CAPSULE
ASTRAZENECA LP	00186033001	XYLOCAINE 2% JELLY
ASTRAZENECA LP	00186033036	XYLOCAINE 2% JELLY
ASTRAZENECA LP	00186036001	XYLOCAINE 2% VISCOUS SOLN
ASTRAZENECA LP	00186036011	XYLOCAINE 2% VISCOUS SOLN
ASTRAZENECA LP	00186032001	XYLOCAINE 4% SOLUTION
ASTRAZENECA LP	00186031521	XYLOCAINE 5% OINTMENT
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173036354	ZANTAC 15 MG/ML SYRUP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173042702	ZANTAC 150 MG EFFERDOSE TAB
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173034412	ZANTAC 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173034414	ZANTAC 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173034417	ZANTAC 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173034442	ZANTAC 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173034447	ZANTAC 150 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039306	ZANTAC 300 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039340	ZANTAC 300 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173039347	ZANTAC 300 MG TABLET
PFIZER LABORATORIES DIV PFIZER INC	00071023724	ZARONTIN 250 MG CAPSULE
PFIZER LABORATORIES DIV PFIZER INC	00071241823	ZARONTIN 250 MG/5 ML SYRUP
ASTRAZENECA LP	00310014110	ZESTORETIC 10/12.5 TABLET
ASTRAZENECA LP	00310014210	ZESTORETIC 20/12.5 TABLET
ASTRAZENECA LP	00310014510	ZESTORETIC 20/25 TABLET
ASTRAZENECA LP	00310013110	ZESTRIL 10 MG TABLET
ASTRAZENECA LP	00310013134	ZESTRIL 10 MG TABLET

## Appendix A Drugs by NDC

FIRM NAME	NDC	DRUG NAME AND DESCRIPTION
ASTRAZENECA LP	00310013139	ZESTRIL 10 MG TABLET
ASTRAZENECA LP	00310013173	ZESTRIL 10 MG TABLET
ASTRAZENECA LP	00310013510	ZESTRIL 2.5 MG TABLET
ASTRAZENECA LP	00310013210	ZESTRIL 20 MG TABLET
ASTRAZENECA LP	00310013234	ZESTRIL 20 MG TABLET
ASTRAZENECA LP	00310013239	ZESTRIL 20 MG TABLET
ASTRAZENECA LP	00310013273	ZESTRIL 20 MG TABLET
ASTRAZENECA LP	00310013310	ZESTRIL 30 MG TABLET
ASTRAZENECA LP	00310013410	ZESTRIL 40 MG TABLET
ASTRAZENECA LP	00310013010	ZESTRIL 5 MG TABLET
ASTRAZENECA LP	00310013034	ZESTRIL 5 MG TABLET
ASTRAZENECA LP	00310013039	ZESTRIL 5 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068400	ZIAGEN 20 MG/ML SOLUTION
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068100	ZIAGEN 300 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068101	ZIAGEN 300 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173068000	ZOFRAN 24 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044600	ZOFRAN 4 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044602	ZOFRAN 4 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044604	ZOFRAN 4 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173048900	ZOFRAN 4 MG/5 ML ORAL SOLN
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044700	ZOFRAN 8 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044702	ZOFRAN 8 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173044704	ZOFRAN 8 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173058900	ZOFRAN ODT 4 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173057000	ZOFRAN ODT 8 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173057004	ZOFRAN ODT 8 MG TABLET
ASTRAZENECA LP	00037721020	ZOMIG 2.5 MG TABLET
ASTRAZENECA LP	00037721125	ZOMIG 5 MG TABLET
ASTRAZENECA LP	00310020920	ZOMIG ZMT 2.5 MG TABLET
ASTRAZENECA LP	00310021321	ZOMIG ZMT 5 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173099155	ZOVIRAX 200 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173099156	ZOVIRAX 200 MG CAPSULE
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173095396	ZOVIRAX 200 MG/5 ML SUSP
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173094955	ZOVIRAX 400 MG TABLET
BIOVAIL PHARMACEUTICALS INC	00173099341	ZOVIRAX 5% OINTMENT
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173094555	ZOVIRAX 800 MG TABLET
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173055801	ZYBAN 150 MG TABLET SA
GLAXO WELLCOME DIVISION SMITHKLINE BEECHAM CORP	00173055802	ZYBAN 150 MG TABLET SA
PROMETHEUS LABORATORIES INC	65483099110	ZYLOPRIM 100 MG TABLET
PROMETHEUS LABORATORIES INC	65483099310	ZYLOPRIM 300 MG TABLET
PROMETHEUS LABORATORIES INC	65483099350	ZYLOPRIM 300 MG TABLET
ELI LILLY AND CO	00002411704	ZYPREXA 10 MG TABLET
ELI LILLY AND CO	00002411733	ZYPREXA 10 MG TABLET
ELI LILLY AND CO	00002411760	ZYPREXA 10 MG TABLET
ELI LILLY AND CO	00002441504	ZYPREXA 15 MG TABLET
ELI LILLY AND CO	00002441533	ZYPREXA 15 MG TABLET
ELI LILLY AND CO	00002441560	ZYPREXA 15 MG TABLET
ELI LILLY AND CO	00002411204	ZYPREXA 2.5 MG TABLET
ELI LILLY AND CO	00002411233	ZYPREXA 2.5 MG TABLET
ELI LILLY AND CO	00002411280	ZYPREXA 2.5 MG TABLET
ELI LILLY AND CO	00002442004	ZYPREXA 20 MG TABLET
ELI LILLY AND CO	00002442033	ZYPREXA 20 MG TABLET
ELI LILLY AND CO	00002442060	ZYPREXA 20 MG TABLET
ELI LILLY AND CO	00002411504	ZYPREXA 5 MG TABLET
ELI LILLY AND CO	00002411533	ZYPREXA 5 MG TABLET
ELI LILLY AND CO	00002411560	ZYPREXA 5 MG TABLET
ELI LILLY AND CO	00002411633	ZYPREXA 7.5 MG TABLET
ELI LILLY AND CO	00002411660	ZYPREXA 7.5 MG TABLET
ELI LILLY AND CO	00002445401	ZYPREXA ZYDIS 10 MG TABLET
ELI LILLY AND CO	00002445485	ZYPREXA ZYDIS 10 MG TABLET
ELI LILLY AND CO	00002445501	ZYPREXA ZYDIS 15 MG TAB
ELI LILLY AND CO	00002445585	ZYPREXA ZYDIS 15 MG TAB
ELI LILLY AND CO	00002445685	ZYPREXA ZYDIS 20 MG TAB
ELI LILLY AND CO	00002445601	ZYPREXA ZYDIS 20 MG TABLET
ELI LILLY AND CO	00002445301	ZYPREXA ZYDIS 5 MG TABLET
ELI LILLY AND CO	00002445385	ZYPREXA ZYDIS 5 MG TABLET